STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO: ST ML 23609	6. SURFACE: State
1A. TYPE OF WORK: DRILL ☑ REENTER ☐ DEEPEN ☐	7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
B. TYPE OF WELL: OIL ☐ GAS ☑ OTHER _____ SINGLE ZONE ☐ MULTIPLE ZONE ☑	8. UNIT or CA AGREEMENT NAME: 891008900A
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP	9. WELL NAME and NUMBER: NBU 1022-07AT
3. ADDRESS OF OPERATOR: P.O. Box 173779 CITY Denver STATE CO ZIP 80217-3779 PHONE NUMBER: (720) 929-6226	10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: ~~266~~ 55 630264X 4425335Y 39.970030 266' FNL & 646' FEL LAT 39.970053 LON -109.474708 (NAD 27) AT PROPOSED PRODUCING ZONE: N/A -109.474683	11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 7 10S 22E
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 22.5 miles south of Ouray, Utah	12. COUNTY: Uintah / 13. STATE: UTAH
15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET): 266'	16. NUMBER OF ACRES IN LEASE: 294.22 / 17. NUMBER OF ACRES ASSIGNED TO THIS WELL: 40
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET): 500'	19. PROPOSED DEPTH: 9,200 / 20. BOND DESCRIPTION: RLB0005237
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.): 5244' GR	22. APPROXIMATE DATE WORK WILL START: / 23. ESTIMATED DURATION: 10 days

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT			SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT			
12 1/4"	9 5/8"	J-55	36#	2,200	Premium Cement	215 sx	1.18	15.6
					Premium Cement	100 sx	1.18	15.6
7 7/8"	4 1/2"	I-80	11.6#	9,200	Premium Lite II	440 sx	3.38	11.0
					50/50 Poz G	1450 sx	1.31	14.3

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- ☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- ☑ EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- ☑ COMPLETE DRILLING PLAN
- ☐ FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kevin McIntyre TITLE Regulatory Analyst I

SIGNATURE _____ DATE 7/14/2008

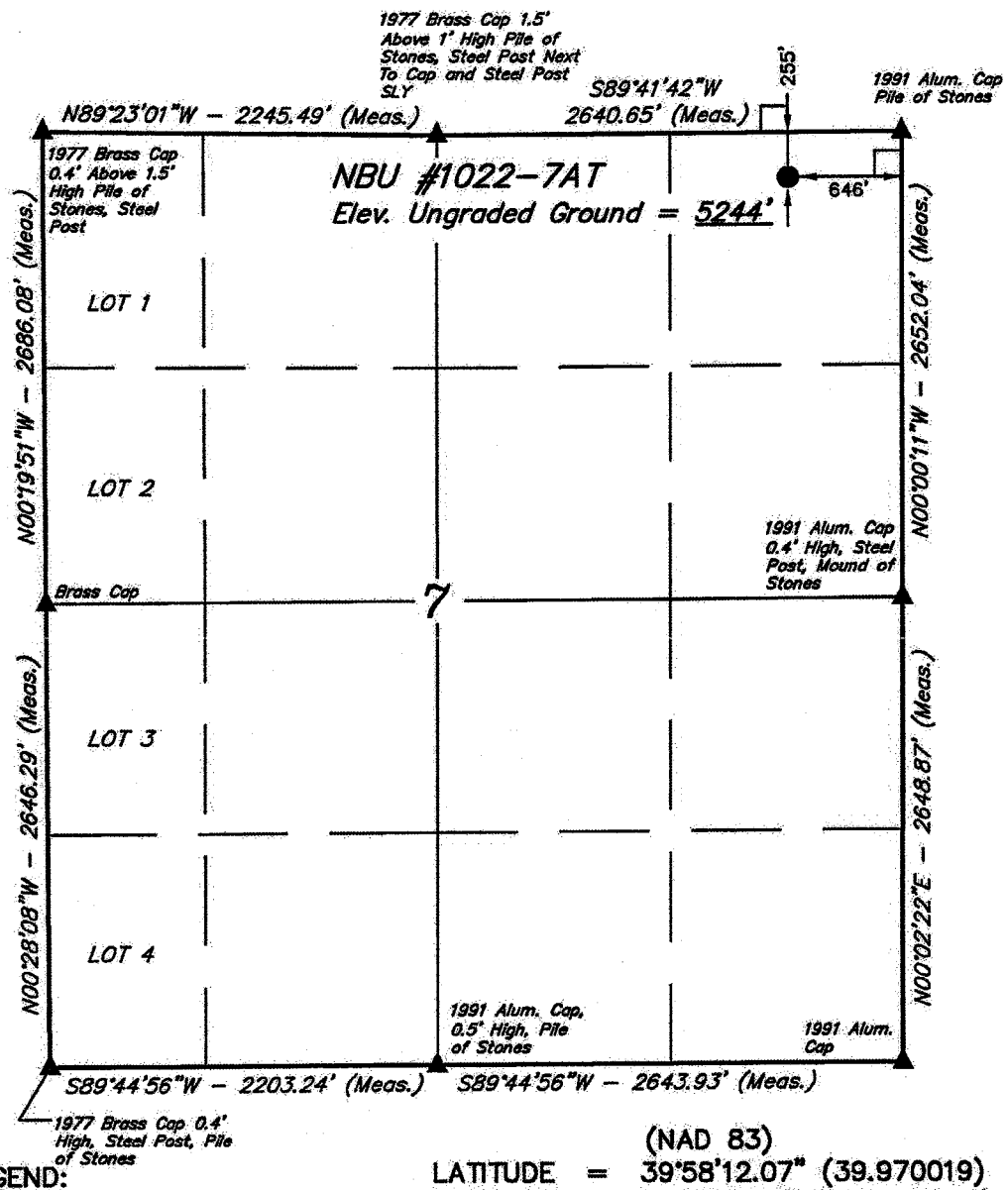
(This space for State use only)

RECEIVED
JUL 22 2008
DIV. OF OIL, GAS & MINING

API NUMBER ASSIGNED: 43-047-40248 APPROVAL:

(11/2001) (See Instructions on Reverse Side)

T10S, R22E, S.L.B.&M.



LEGEND:

⌐ = 90° SYMBOL

● = PROPOSED WELL HEAD.

▲ = SECTION CORNERS LOCATED.

(NAD 83)

LATITUDE = 39°58'12.07" (39.970019)

LONGITUDE = 109°28'31.41" (109.475392)

(NAD 27)

LATITUDE = 39°58'12.19" (39.970053)

LONGITUDE = 109°28'28.95" (109.474708)

Kerr-McGee Oil & Gas Onshore LP

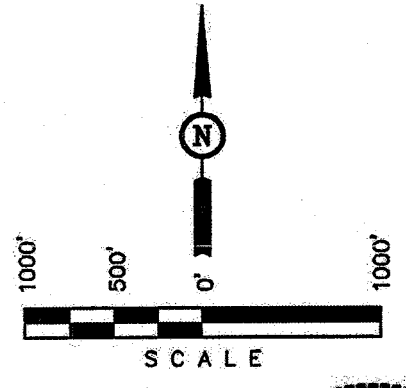
Well location, NBU #1022-7AT, located as shown in the NE 1/4 NE 1/4 of Section 7, T10S, R22E, S.L.B.&M. Uintah County, Utah.

BASIS OF ELEVATION

TWO WATER TRIANGULATION STATION LOCATED IN THE NW 1/4 OF SECTION 1, T10S, R21E, S.L.B.&M. TAKEN FROM THE BIG PACK MTN NE, QUADRANGLE, UTAH, UINTAH COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5238 FEET.

BASIS OF BEARINGS

BASIS OF BEARINGS IS A G.P.S. OBSERVATION.



CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR
REGISTRATION NO. 161319
STATE OF UTAH

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST – VERNAL, UTAH 84078
(435) 789-1017

SCALE: 1" = 1000'	DATE SURVEYED: 05-29-08	DATE DRAWN: 06-17-08
PARTY: L.K. D.D. S.L.	REFERENCES: G.L.O. PLAT	
WEATHER: WARM	FILE: Kerr-McGee Oil & Gas Onshore LP	

NBU 1022-07AT
NENE Sec. 7, T10S,R22E
UINTAH COUNTY, UTAH
ST ML 23609

ONSHORE ORDER NO. 1

DRILLING PROGRAM

1. **Estimated Tops of Important Geologic Markers:**

Formation	Depth
Uinta	0- Surface
Green River	1295'
Birds Nest	1659'
Mahogany	2126'
Wasatch	4526'
Mesaverde	7103'
MVU2	7988'
MVL1	8595'
TD	9200'

2. **Estimated Depths of Anticipated Water, Oil, Gas, or Mineral Formations:**

Substance	Formation	Depth
	Green River	1295'
Water	Birds Nest	1659'
Water	Mahogany	2126'
Gas	Wasatch	4526'
Gas	Mesaverde	7103'
Gas	MVU2	7988'
Gas	MVL1	8595'
Water	N/A	
Other Minerals	N/A	

3. **Pressure Control Equipment** (Schematic Attached)

Please refer to the attached Drilling Program.

4. **Proposed Casing & Cementing Program:**

Please refer to the attached Drilling Program.

5. **Drilling Fluids Program:**

Please refer to the attached Drilling Program.

6. **Evaluation Program:**

Please refer to the attached Drilling Program.

7. **Abnormal Conditions:**

Maximum anticipated bottomhole pressure calculated at 9200' TD, approximately equals 5704 psi (calculated at 0.62 psi/foot).

Maximum anticipated surface pressure equals approximately 3680 psi (bottomhole pressure minus the pressure of a partially evacuated hole calculated at 0.22 psi/foot).

8. **Anticipated Starting Dates:**

Drilling is planned to commence immediately upon approval of this application.

9. **Variances:**

Please refer to the attached Drilling Program.
Onshore Order #2 – Air Drilling Variance

Kerr-McGee Oil & Gas Onshore LP (KMG) respectfully requests a variance to several requirements associated with air drilling outlined in Onshore Order 2

- *Blowout Prevention Equipment (BOPE) requirements;*
- *Mud program requirements; and*
- *Special drilling operation (surface equipment placement) requirements associated with air drilling.*

This Standard Operating Practices addendum provides supporting information as to why KMG current air drilling practices for constructing the surface casing hole should be granted a variance to Onshore Order 2 air drilling requirements.

The reader should note that the air rig is used only to construct a stable surface casing hole through a historically difficult lost circulation zone. A conventional rotary rig follows the air rig, and is used to drill and construct the majority of the wellbore.

More notable, KMG has used the air rig layout and procedures outlined below to drill the surface casing hole in approximately 675 wells without incident of blow out or loss of life.

Background
In a typical well, KMG utilizes an air rig for drilling the surface casing hole, an interval from the surface to surface casing depths, which varies in depth from 1,700 to 2,800 feet. The air rig drilling operation does not drill through productive or over pressured formations in KMG field, but does penetrate the Uinta and Green River Formations. The purpose of the air drilling operation is to overcome the severe loss circulation zone in the Green River known as the Bird's Nest while creating a stable hole for the surface casing. The surface casing hole is generally drilled to approximately 500 feet below the Bird's Nest.

Before the surface air rig is mobilized, a rathole rig is utilized to set and cement conductor pipe through a competent surface formation. Generally, the conductor is set at 40 feet. In some cases, conductor may be set deeper in areas that the surface formation is not found competent. This rig also drills the rat and mouse holes in preparation for the surface casing and production string drilling operations.

The air rig is then mobilized to drill the surface casing hole by drilling a 12-1/4 inch hole to just above the Bird's Nest interval with an air hammer. The hammer is then tripped and replaced with a 12-1/4 inch tri-cone bit. The tri-cone bit is used to drill to the surface casing point, approximately 500 feet below the loss circulation zone (Bird's Nest). The 9-5/8 inch surface casing is then run and cemented in place, thereby isolating the lost circulation zone.

KMG fully appreciates Onshore Order 2 well control and safety requirements associated with a typical air drilling operations. However, the requirements of Onshore Order 2 are excessive with respect to the air rig layout and drilling operation procedures that are currently in practice to drill and control the surface casing hole in KMG Fields.

Variance for BOPE Requirements
The air rig operation utilizes a properly lubricated and maintained air bowl diverter system which diverts the drilling returns to a six-inch blooie line. The air bowl is the only piece of BOPE equipment which is installed during drilling operations and is sufficient to contain the air returns associated with this drilling operation. As was discussed earlier, the drilling of the surface hole does not encounter any over pressured or productive zones, and as a result standard BOPE equipment should not be required. In addition, standard drilling practices do not support the use of BOPE on 40 feet of conductor pipe.

Variance for Mud Material Requirements
Onshore Order 2 also states that sufficient quantities of mud materials shall be maintained or readily accessible for the purpose of assuring adequate well control. Once again, the surface hole drilling operations does not encounter over pressured or productive intervals, and as a result there is not a need to control pressure in the surface hole with a mud system. Instead of mud, the air rigs utilize water from the reserve pit for well control, if necessary. A skid pump which is located near the reserve pit (see attachment) will supply the water to the well bore.

Variance for Special Drilling Operation (surface equipment placement) Requirements
Onshore Order 2 requires specific safety distances or setbacks for the placement of associated standard air drilling equipment, wellbore, and reserve pits. The air rigs used to drill the surface holes are not typical of an air rig used to drill a producing hole in other parts of the US. These are smaller in nature and designed to fit a KMG location. The typical air rig layout for drilling surface hole in the field is attached.

Typically the blooie line discharge point is required to be 100 feet from the well bore. In the case of a KMG well, the reserve pit is only 45 feet from the rig and is used for the drill cuttings. The blooie line, which transports the drill cuttings from the well to the reserve pit, subsequently discharges only 45 feet from the well bore.

Typically the air rig compressors are required to be located in the opposite direction from the blooie line and a minimum of 100 feet from the well bore. At the KMG locations, the air rig compressors are approximately 40 feet from the well bore and approximately 60 feet from the blooie line discharge due to the unique air rig design. The air compressors (see attachment) are located on the rig (1250 cfm) and on a standby trailer (1170 cfm). A booster sits between the two compressors and boosts the output from 350 psi to 2000 psi. The design does put the booster and standby compressor opposite from the blooie line.

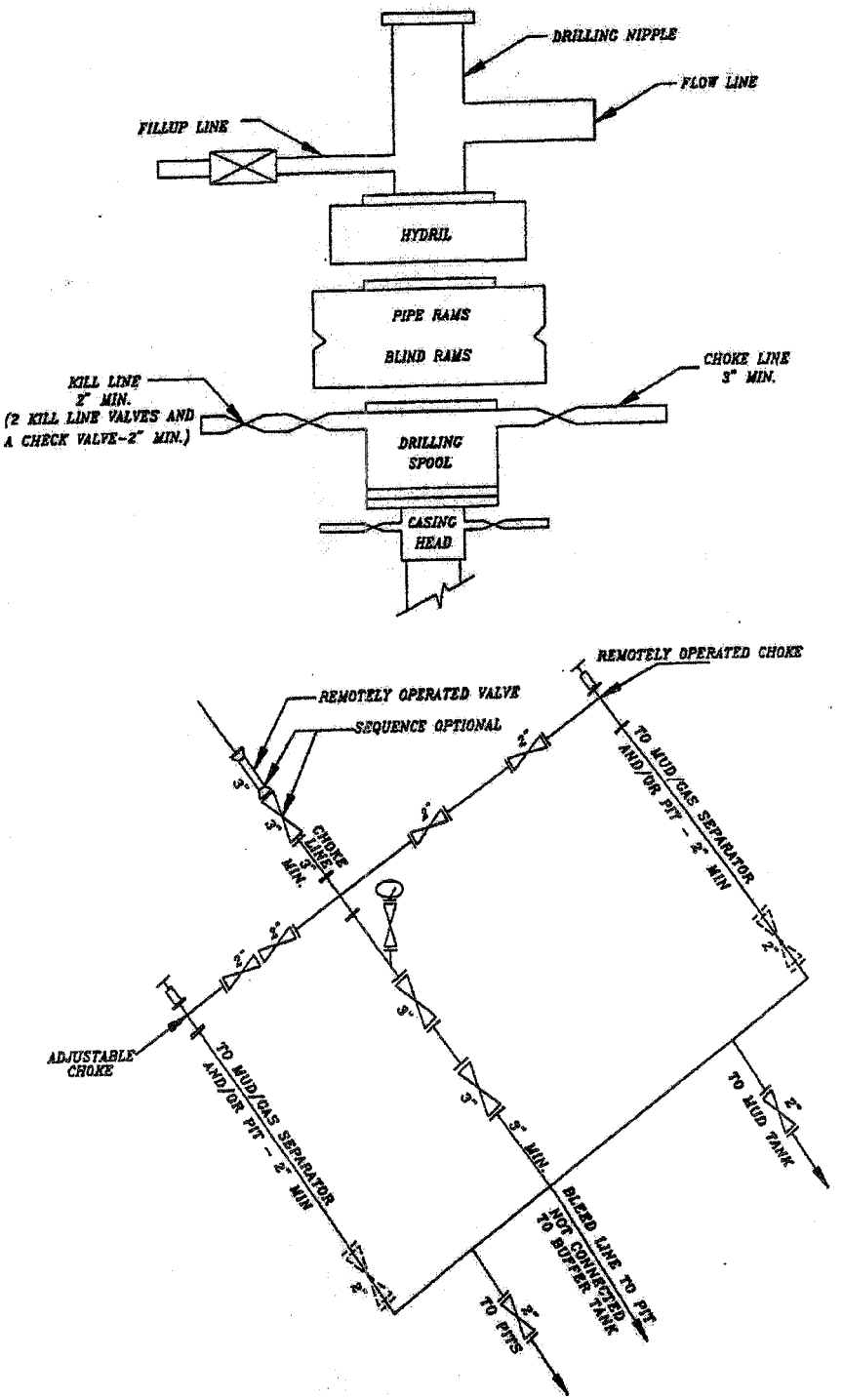
Lastly, Onshore Order 2 addresses the need for an automatic igniter or continuous pilot light on the blooie line. The air rig does not utilize an igniter as the surface hole drilling operation does not encounter productive formations.

Conclusion
The air rig operating procedures and the attached air rig layout have effectively maintained well control while drilling the surface holes in KMG Fields. KMG respectfully requests a variance from Onshore Order 2 with respect to air drilling well control requirements as discussed above.

10. Other Information:

Please refer to the attached Drilling Program.

EXHIBIT A



SCHEMATIC DIAGRAM OF 5,000 PSI BOP STACK

NBU 1022-07AT
NENE SEC. 7, T10S, R22E
UINTAH COUNTY, UTAH
ST ML 23609

ONSHORE ORDER NO. 1

MULTI-POINT SURFACE USE & OPERATIONS PLAN

1. **Existing Roads:**

Refer to Topo Map A for directions to the location.

Refer to Topo Maps A and B for location of access roads within a 2-mile radius.

Refer to Topo Maps A and B for location of access roads within a 2 mile radius.

All existing roads will be maintained and kept in good repair during all drilling and completion operations associated with this well.

2. **Planned Access Roads:**

Approximately 0.2 mi. +/- of new access road is proposed. Please refer to the attached Topo Map B.

The upgraded and new portions of the access road will be crowned and ditched with a running surface of 18 feet and a maximum disturbed width of 30 feet. Appropriate water control will be installed to control erosion.

Existence of pipelines; maximum grade; turnouts; major cut and fills, culverts, or bridges; gates, cattle guards, fence cuts, or modifications to existing facilities were determined at the on-site.

The access road was centerline flagged during time of staking.

Surfacing material may be necessary, depending upon weather conditions.

Surface disturbance and vehicular traffic will be limited to the approved location and approved access route. Any additional area needed will be approved in advance.

3. **Location of Existing Wells Within a 1-Mile Radius:**

Please refer to Topo Map C.

4. **Location of Existing & Proposed Facilities:**

The following guidelines will apply if the well is productive.

All production facilities will be located on the disturbed portion of the well pad and at a minimum of 25 feet from the toe of the back slope or the top of the fill slope.

A dike will be constructed completely around those production facilities which contain

fluids (i.e., production tanks, produced water tanks, and/or heater/treater). These dikes will be constructed of compacted subsoil, be impervious, hold 100% of the capacity of the largest tank, and be independent of the back cut.

All permanent (on-site six months or longer) above the ground structures constructed or installed, including pumping units, will be painted a flat, non-reflective, earthtone color to match one of the standard environmental colors, as determined by the five state Rocky Mountain Inter-Agency Committee.

All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) will be excluded. The required color is Carlsbad Canyon, standard color number 2.5Y 6/2.

Any necessary pits will be properly fenced to protect livestock and prevent wildlife entry.

Approximately 1,481' of 4" pipeline is proposed. Refer to Topo D for the proposed pipeline.

5. **Location and Type of Water Supply:**

Water for drilling purposes will be obtained from Dalbo Inc.'s underground well located in Ouray, Utah, Sec. 32, T4S, R3E, Water User Claim #43-8496, Application #53617.

Water will be hauled to location over the roads marked on Maps A and B.

No water well is to be drilled on this lease.

6. **Source of Construction Materials:**

Surface and subsoil materials in the immediate area will be utilized.

Any gravel will be obtained from a commercial source.

7. **Methods of Handling Waste Materials:**

Drill cuttings will be contained and buried in the reserve pit.

Drilling fluids, including salts and chemicals, will be contained in the reserve pit. Upon termination of drilling and completion operations, the liquid contents of the reserve pit will be removed and disposed of at an approved waste disposal facility within 120 days after drilling is terminated.

The reserve pit will be constructed on the location and will not be located within natural drainage, where a flood hazard exists or surface runoff will destroy or damage the pit walls. The reserve pit will be constructed so that it will not leak, break, or allow discharge of liquids.

A plastic reinforced liner and felt will be used, it will be a minimum of 20 mil thick, with sufficient bedding used to cover any rocks. The liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash or scrap that could puncture the liner will be disposed of in the pit.

Any spills of oil, gas, salt water, or other noxious fluids will be immediately cleaned up and removed to an approved disposal site.

A chemical porta-toilet will be furnished with the drilling rig.

Garbage, trash, and other waste materials will be collected in a portable, self-contained, fully enclosed trash cage during operations. No trash will be burned on location.

All debris and other waste material not contained in the trash cage will be cleaned up and removed from the location immediately after removal of the drilling rig.

Any open pits will be fenced during the operations. The fencing will be maintained until such time as the pits are backfilled.

No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling of this well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling of this well.

Any produced water from the proposed well will be contained in a water tank and will then be hauled By truck to one of the pre-approved disposal sites: RNI, Sec. 5, T9S, R22E, NBU #159, Sec. 35, T9S, R21E, Ace Oilfield, Sec. 2, T6S, R20E, MC&MC, Sec. 12, T6S, R19E, Pipeline Facility, Sec. 36, T9S, R20E, Goat Pasture Evaporation Pond, SW/4 Sec. 16, T10S, R22E, Bonanza Evaporation Pond, Sec. 2, T10S, R23E.

8. **Ancillary Facilities:**

None are anticipated.

9. **Well Site Layout:** (See Location Layout Diagram)

The attached Location Layout Diagram describes drill pad cross-sections, cuts and fills, and locations of the mud tanks, reserve pit, flare pit, pipe racks, trailer parking, spoil dirt stockpile(s), and surface material stockpile(s).

Please see the attached diagram to describe rig orientation, parking areas, and access roads.

The reserve pit will be lined, and when the reserve pit is closed, the pit liner will be buried below plow depth.

All pits will be fenced according to the following minimum standards:

39 inch net wire will be used with at least one strand of barbed wire on top of the net wire. Barbed wire is not necessary if pipe or some type of reinforcement rod is attached to the top of the entire fence.

The net wire shall be no more than two inches above the ground. The barbed wire shall be three inches over the net wire. Total height of the fence shall be at least 42 inches.

Corner posts shall be cemented and/or braced in such a manner to keep the fence tight at all times.

Standard steel, wood, or pipe posts shall be used between the corner braces. Maximum distance between any 2 fence posts shall be no greater than 16 feet.

All wire shall be stretched, by using a stretching device, before it is attached to corner posts.

The reserve pit fencing will be on three sides during drilling operations, and on the fourth side when the rig moves off location. Pits will be fenced and maintained until cleanup.

Location size may change prior to the drilling of the well due to current rig availability. If the proposed location is not large enough to accommodate the drilling rig the location will be re-surveyed and a Form 9 shall be submitted.

10. Plans for Reclamation of the Surface:

Producing Location:

Immediately upon well completion, the location and surrounding area will be cleared of all unused tubing, materials, trash, and debris not required for production.

Immediately upon well completion, any hydrocarbons in the pit shall be removed in accordance with 43 CFR 3162.7-1.

A plastic, nylon reinforced liner will be used, it shall be torn and perforated before backfilling of the reserve pit.

Before any dirt work associated with location restoration takes place, the reserve pit shall be as dry as possible. All debris in it will be removed. Other waste and spoil materials will be disposed of immediately upon completion of operations.

The reserve pit and that portion of the location not needed for production facilities/operations will be recontoured to the approximate natural contours. The reserve pit will be reclaimed within 90 days from the date of well completion, weather permitting.

To prevent surface water (s) from standing (ponding) on the reclaimed reserve pit area, final reclamation of the reserve pit will consist of "mounding" the surface three feet above surrounding ground surface to allow the reclaimed pit area to drain effectively.

Upon completion of backfilling, leveling, and recontouring, the stockpiled topsoil will be spread evenly over the reclaimed area(s).

Dry Hole/Abandoned Location:

Abandoned well sites, roads, and other disturbed areas will be restored as near as practical to their original condition. Where applicable, these conditions include the re-establishment of irrigation systems, the re-establishment of appropriate soil conditions, and re-establishment of vegetation as specified.

All disturbed surfaces will be recontoured to the approximate natural contours, with reclamation of the well pad and access road to be performed as soon as practical after final abandonment. Reseeding operations will be performed after completion of other reclamation operations.

11. Surface/Mineral Ownership:

SITLA
675 East 500 South, Suite 500
Salt Lake City, UT 84102

12. Other Information:

All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, the approved Plan of Operations, and any applicable Notice of Lessees. The Operator is fully responsible for the actions of his subcontractors. A copy of these conditions will be furnished to the field representative to ensure compliance.

The Operator will control noxious weeds along Rights-Of-Way for roads, pipelines, well sites, or other applicable facilities.

A Class III archaeological survey will be submitted when report becomes available.

This location is not within 460' from the boundary of the Natural Buttes Unit, nor is it within 460' of any non-committed tract lying within the boundaries of the Unit.

13. Lessee's or Operators's Representative & Certification:

Kevin McIntyre
Regulatory Analyst
Kerr-McGee Oil & Gas Onshore LP
P.O. Box 173779
Denver, CO 80217-3779
(720) 929-6226

Randy Bayne
Drilling Manager
Kerr-McGee Oil & Gas Onshore LP
1368 South 1200 East
Vernal, UT 84078
(435)781-7018

Certification: All lease and/or unit operations will be conducted in such a manner that full compliance is made with all applicable laws, regulations, Onshore Oil and Gas Orders, the approved Plan of Operations, and any applicable Notice to Lessees.

The Operator will be fully responsible for the actions of its subcontractors. A complete copy of the approved "Application for Permit to Drill" will be furnished to the field representative(s) to ensure compliance and shall be on location during all construction and drilling operations.

Kerr-McGee Oil & Gas Onshore LP is considered to be the operator of the subject well. Kerr-McGee Oil & Gas Onshore LP agrees to be responsible under terms and conditions of the lease for the operations conducted upon leased lands.

Bond coverage pursuant to 43 CFR 3104 for lease activities is being provided by State Surety Bond #RLB0005237.

I hereby certify that I, or persons under my supervision, have inspected the proposed drill site and access route, that I am familiar with the conditions that currently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and the work associated with the operations proposed herein will be performed by the Operator, its contractors, and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

Kevin McIntyre

7/14/2008
Date

KerrMcGee

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

COMPANY NAME	KERR-McGEE OIL & GAS ONSHORE LP		DATE	July 14, 2008	
WELL NAME	**NBU 1022-07AT**		TD	9,200' MD/TVD	
FIELD	Natural Buttes	COUNTY Uintah	STATE Utah	ELEVATION	5,244' GL KB 5,259'
SURFACE LOCATION	NENE 255' FNL & 646' FEL, Sec. 7, T 10S R 22E			BHL	Straight Hole
	Latitude: 39.970053	Longitude: -109.474708		NAD 27	
OBJECTIVE ZONE(S)	Wasatch/Mesaverde				
ADDITIONAL INFO	Regulatory Agencies: UDOGM (SURF & MINERALS), BLM, Tri-County Health Dept.				

GEOLOGICAL			MECHANICAL		
LOGS	FORMATION TOPS	DEPTH	HOLE SIZE	CASING SIZE	MUD WEIGHT
		40'	14"		
			12-1/4"	9-5/8", 36#, J-55, LTC	Air mist
Catch water sample, if possible, from 0 to 4,526'					
	Green River @	1,295'			
	Top of Birds Nest Water @	1,659'			
	Mahogany @	2,126'			
	Preset f/ GL @ 2,200' MD				
	Note: 12.25" surface hole will usually be drilled ±400' below the bottom of lost circulation zone. Drilled depth *may be ±200' of the estimated* set depth depending on the acutal depth of the loss zone.				
Mud logging program TBD Open hole logging program f/ TD - surf csg			7-7/8"	4-1/2",11.6#, I-80 or equivalent LTC casing	Water/Fresh Water Mud 8.3-11.5 ppg
	Wasatch @	4,526'			
	Mverde @	7,103'			
	MVU2 @	7,988'			
	MVL1 @	8,595'			
	TD @	9,200'			Max anticipated *Mud required* 11.2 ppg

KerrMcGee

KERR-McGEE OIL & GAS ONSHORE LP

DRILLING PROGRAM

CASING PROGRAM

	SIZE	INTERVAL			WT.	GR.	CPLG.	DESIGN FACTORS BURST	COLLAPSE	TENSION
CONDUCTOR	14"	0-40'								
								3520	2020	453000
SURFACE	9-5/8"	0	to	2,200'	36.00	J-55	LTC	1.06	1.96	6.53
								7780	6350	201000
PRODUCTION	4-1/2"	0	to	9200	11.60	I-80	LTC	2.33	1.19	2.16

1) Max Anticipated Surf. Press.(MASP) (Surface Casing) = (Pore Pressure at next csg point-(0.22 psi/ft-partial evac gradient x TVD of next csg point)

2) MASP (Prod Casing) = Pore Pressure at TD - (.22 psi/ft-partial evac gradient x TD)

(Burst Assumptions: TD = 11.2 ppg) .22 psi/ft = gradient for partially evac wellbore

(Collapse Assumption: Fully Evacuated Casing, Max MW) (Tension Assumptions: Air Weight of Casing*Buoy.Fact. of water)

MASP 3860 psi

CEMENT PROGRAM

		FT. OF FILL	DESCRIPTION	SACKS	EXCESS	WEIGHT	YIELD
SURFACE	LEAD	500	Premium cmt + 2% CaCl + .25 pps flocele	215	60%	15.60	1.18
Option 1							
	TOP OUT CMT (1)	250	20 gals sodium silicate + Premium cmt + 2% CaCl + .25 pps flocele	100		15.60	1.18
	TOP OUT CMT (2)	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
SURFACE			**NOTE: If well will circulate water to surface, option 2 will be utilized**				
Option 2	LEAD	2000	Prem cmt + 16% Gel + 10 pps gilsonite +.25 pps Flocele + 3% salt BWOC	230	35%	11.00	3.82
	TAIL	500	Premium cmt + 2% CaCl + .25 pps flocele	180	35%	15.60	1.18
	TOP OUT CMT	as required	Premium cmt + 2% CaCl	as req.		15.60	1.18
PRODUCTION	LEAD	4,020'	Premium Lite II + 3% KCl + 0.25 pps celloflake + 5 pps gilsonite + 10% gel + 0.5% extender	440	60%	11.00	3.38
	TAIL	5,180'	50/50 Poz/G + 10% salt + 2% gel +.1% R-3	1450	60%	14.30	1.31

*Substitute caliper hole volume plus 0% excess for LEAD if accurate caliper is obtained

*Substitute caliper hole volume plus 10% excess for TAIL if accurate caliper is obtained

FLOAT EQUIPMENT & CENTRALIZERS

SURFACE	Guide shoe, 1 jt, insert float. Centralize first 3 joints with bow spring centralizers. Thread lock guide shoe.
PRODUCTION	Float shoe, 1 jt, float collar. Centralize first 3 joints & every third joint to top of tail cement with bow spring centralizers.

ADDITIONAL INFORMATION

Test casing head to 750 psi after installing. Test surface casing to 1,500 psi prior to drilling out.

BOPE: 11" 5M with one annular and 2 rams. Test to 5,000 psi (annular to 2,500 psi) prior to drilling out. Record on chart recorder & tour sheet. Function test rams on each trip. Maintain safety valve & inside BOP on rig floor at all times. Kelly to be equipped with upper & lower kelly valves.

Drop Totco surveys every 2000'. Maximum allowable hole angle is 5 degrees.

Most rigs have PVT Systems for mud monitoring. If no PVT is available, visual monitoring will be utilized.

DRILLING ENGINEER: _____ **DATE:** _____

Brad Laney

DRILLING SUPERINTENDENT: _____ **DATE:** _____

Randy Bayne

Kerr-McGee Oil & Gas Onshore LP

NBU#1022-7A4BS, #1022-7AT, #1022-7A4CS & #1022-7B2DS

SECTION 7, T10S, R22E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 6.9 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE EAST; TURN LEFT AND PROCEED IN AN EASTERLY DIRECTION APPROXIMATELY 5.0 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHWEST; TURN LEFT AND PROCEED IN A NORTHWESTERLY DIRECTION APPROXIMATELY 0.3 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTHEAST; TURN RIGHT AND PROCEED IN A NORTHEASTERLY DIRECTION APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN SOUTHEASTERLY DIRECTION APPOXIMATELY 5.4 MILES TO THE PROPOSED ACCESS ROAD TO THE SOUTHEAST; FOLLOW ROAD FLAGS IN A SOUTHEASTERLY DIRECTION APPROXIMATELY 0.2 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 53.5 MILES.

Weatherford

Drilling Services

Proposal

Anadarko KerrMcGee

ANADARKO - KERR McGEE

NBU 1022 7AT

UINTAH COUNTY, UTAH

WELL FILE: PLAN 1

JULY 8, 2008

Weatherford International, Ltd.
15710 John F. Kennedy Blvd
Houston, Texas 77032 USA
+1.281.260.1300 Main
+1.281.260.4730 Fax
www.weatherford.com

ANADARKO KERR MCGEE OIL & GAS
NBU NBU 1022 7AT
UINTAH COUNTY, UTAH

Azimuths to True North
Magnetic North: 11.46°

Magnetic Field
Strength: 52640nT
Dip Angle: 65.92°
Date: 7/8/2008
Model: bggm2007

SECTION DETAILS

Sec	MD	Inc	Azi	TVD	+N/-S	+E/-W	DLeg	TFace	VSec	Target
1	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
2	9200.00	0.00	0.00	9200.00	0.00	0.00	0.00	0.00	0.00	PBHL 7AT

KB = 5261
GR = 5243

WELL DETAILS

Name	+N/-S	+E/-W	Northing	Easting	Latitude	Longitude	Slot
7AT	14.16	-14.01	602563.26	2567570.15	39°58'12.190N	109°28'28.950W	N/A

FORMATION TOP DETAILS

No.	TVDPath	MDPath	Formation
1	1295.00	1295.00	Green River
2	4526.00	4526.00	Wasatch
3	7103.00	7103.00	Mesaverde

FIELD DETAILS

UINTAH COUNTY, UTAH (NAD 27)

Geodetic System: US State Plane Coordinate System 1927
Ellipsoid: NAD27 (Clarke 1866)
Zone: Utah, Central Zone
Magnetic Model: bggm2007

System Datum: Mean Sea Level
Local North: True North

CASING DETAILS

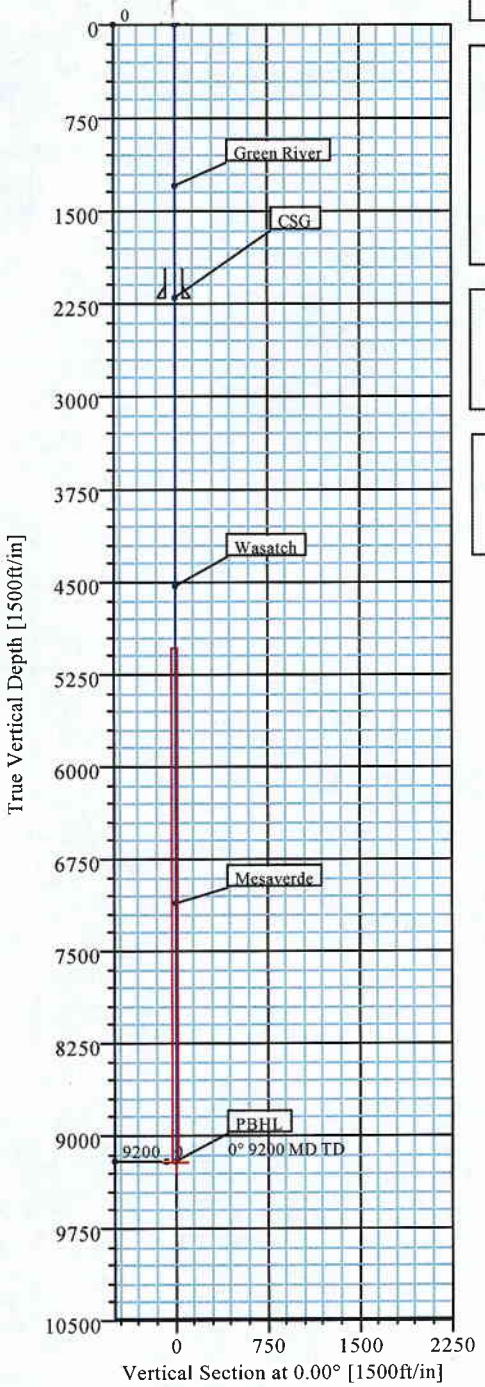
No.	TVD	MD	Name	Size
1	2200.00	2200.00	CSG	0.00

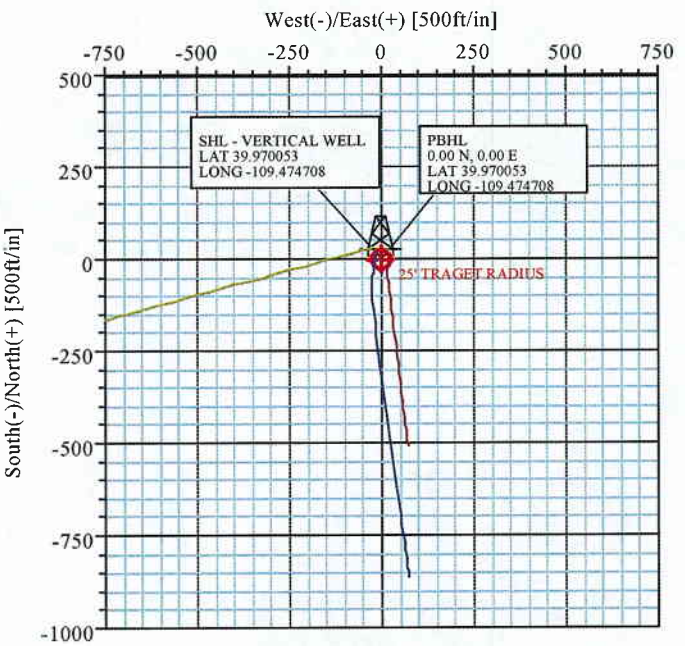
LEGEND

7A4BS (1)
7A4CS (1)
7B2DS (1)
Plan #1

TARGET DETAILS

Name	TVD	+N/-S	+E/-W	Latitude	Longitude	Shape
PBHL 7AT	9200.00	0.00	0.00	39°58'12.190N	109°28'28.950W	Circle (Radius: 25)





Plan: Plan #1 (7AT/1)
Created By: Russell Joyner Date: 7/8/2008

devon

Weatherford
WELL PLAN REPORT

Weatherford

Company:	Anadarko-Kerr-McGee	**Date:** 7/8/2008	**Time:** 14:09:35	**Page:**	1
Field:	UINTAH COUNTY, UTAH (NAD 27)	**Co-ordinate(NE) Reference:**	Well: 7AT, True North		
Site:	NBU 1022-7A PAD	**Vertical (TVD) Reference:**	SITE 5261.0		
Well:	7AT	**Section (VS) Reference:**	Well (0.00N,0.00E,0.00Azi)		
Wellpath:	1	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Plan:	Plan #1	**Date Composed:**	7/8/2008
		Version:	1
Principal:	Yes	**Tied-to:**	From Surface

Field:	UINTAH COUNTY, UTAH (NAD 27)		
Map System:	US State Plane Coordinate System 1927	**Map Zone:**	Utah, Central Zone
Geo Datum:	NAD27 (Clarke 1866)	**Coordinate System:**	Well Centre
Sys Datum:	Mean Sea Level	**Geomagnetic Model:**	bggm2007

Site:	NBU 1022-7A PAD				
Site Position:		**Northing:**	602549.42 ft	**Latitude:**	39 58 12.050 N
From:	Geographic	**Easting:**	2567584.48 ft	**Longitude:**	109 28 28.770 W
Position Uncertainty:	0.00 ft			**North Reference:**	True
Ground Level:	5243.00 ft			**Grid Convergence:**	1.30 deg

Well:	7AT				**Slot Name:**	
Well Position:	+N/-S	14.16 ft	**Northing:**	602563.26 ft	**Latitude:**	39 58 12.190 N
	+E/-W	-14.01 ft	**Easting :**	2567570.15 ft	**Longitude:**	109 28 28.950 W
Position Uncertainty:		0.00 ft				

Wellpath:	1			**Drilled From:**	Surface
				Tie-on Depth:	0.00 ft
Current Datum:	SITE	**Height**	5261.00 ft	**Above System Datum:**	Mean Sea Level
Magnetic Data:	7/8/2008			**Declination:**	11.46 deg
Field Strength:	52640 nT			**Mag Dip Angle:**	65.92 deg

Vertical Section:	**Depth From (TVD)** ft	**+N/-S** ft	**+E/-W** ft	**Direction** deg
	0.00	0.00	0.00	0.00

Plan Section Information

MD ft	Incl deg	Azim deg	TVD ft	+N/-S ft	+E/-W ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	TFO deg	Target
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
9200.00	0.00	0.00	9200.00	0.00	0.00	0.00	0.00	0.00	0.00	PBHL 7AT

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Comment
0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	HOLD
200.00	0.00	0.00	200.00	0.00	0.00	0.00	0.00	0.00	0.00	
400.00	0.00	0.00	400.00	0.00	0.00	0.00	0.00	0.00	0.00	
600.00	0.00	0.00	600.00	0.00	0.00	0.00	0.00	0.00	0.00	
800.00	0.00	0.00	800.00	0.00	0.00	0.00	0.00	0.00	0.00	
1000.00	0.00	0.00	1000.00	0.00	0.00	0.00	0.00	0.00	0.00	
1200.00	0.00	0.00	1200.00	0.00	0.00	0.00	0.00	0.00	0.00	
1295.00	0.00	0.00	1295.00	0.00	0.00	0.00	0.00	0.00	0.00	Green River
1400.00	0.00	0.00	1400.00	0.00	0.00	0.00	0.00	0.00	0.00	
1600.00	0.00	0.00	1600.00	0.00	0.00	0.00	0.00	0.00	0.00	
1800.00	0.00	0.00	1800.00	0.00	0.00	0.00	0.00	0.00	0.00	
2000.00	0.00	0.00	2000.00	0.00	0.00	0.00	0.00	0.00	0.00	
2200.00	0.00	0.00	2200.00	0.00	0.00	0.00	0.00	0.00	0.00	CSG
2400.00	0.00	0.00	2400.00	0.00	0.00	0.00	0.00	0.00	0.00	
2600.00	0.00	0.00	2600.00	0.00	0.00	0.00	0.00	0.00	0.00	
2800.00	0.00	0.00	2800.00	0.00	0.00	0.00	0.00	0.00	0.00	
3000.00	0.00	0.00	3000.00	0.00	0.00	0.00	0.00	0.00	0.00	
3200.00	0.00	0.00	3200.00	0.00	0.00	0.00	0.00	0.00	0.00	
3400.00	0.00	0.00	3400.00	0.00	0.00	0.00	0.00	0.00	0.00	

Company:	Anadarko-Kerr-McGee	**Date:** 7/8/2008	**Time:** 14:09:35	**Page:**	2
Field:	UINTAH COUNTY, UTAH (NAD 27)	**Co-ordinate(NE) Reference:**	Well: 7AT, True North		
Site:	NBU 1022-7A PAD	**Vertical (TVD) Reference:**	SITE 5261.0		
Well:	7AT	**Section (VS) Reference:**	Well (0.00N,0.00E,0.00Azi)		
Wellpath:	1	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Survey

MD ft	Incl deg	Azim deg	TVD ft	N/S ft	E/W ft	VS ft	DLS deg/100ft	Build deg/100ft	Turn deg/100ft	Comment
3600.00	0.00	0.00	3600.00	0.00	0.00	0.00	0.00	0.00	0.00	
3800.00	0.00	0.00	3800.00	0.00	0.00	0.00	0.00	0.00	0.00	
4000.00	0.00	0.00	4000.00	0.00	0.00	0.00	0.00	0.00	0.00	
4200.00	0.00	0.00	4200.00	0.00	0.00	0.00	0.00	0.00	0.00	
4400.00	0.00	0.00	4400.00	0.00	0.00	0.00	0.00	0.00	0.00	
4526.00	0.00	0.00	4526.00	0.00	0.00	0.00	0.00	0.00	0.00	Wasatch
4600.00	0.00	0.00	4600.00	0.00	0.00	0.00	0.00	0.00	0.00	
4800.00	0.00	0.00	4800.00	0.00	0.00	0.00	0.00	0.00	0.00	
5000.00	0.00	0.00	5000.00	0.00	0.00	0.00	0.00	0.00	0.00	
5200.00	0.00	0.00	5200.00	0.00	0.00	0.00	0.00	0.00	0.00	
5400.00	0.00	0.00	5400.00	0.00	0.00	0.00	0.00	0.00	0.00	
5600.00	0.00	0.00	5600.00	0.00	0.00	0.00	0.00	0.00	0.00	
5800.00	0.00	0.00	5800.00	0.00	0.00	0.00	0.00	0.00	0.00	
6000.00	0.00	0.00	6000.00	0.00	0.00	0.00	0.00	0.00	0.00	
6200.00	0.00	0.00	6200.00	0.00	0.00	0.00	0.00	0.00	0.00	
6400.00	0.00	0.00	6400.00	0.00	0.00	0.00	0.00	0.00	0.00	
6600.00	0.00	0.00	6600.00	0.00	0.00	0.00	0.00	0.00	0.00	
6800.00	0.00	0.00	6800.00	0.00	0.00	0.00	0.00	0.00	0.00	
7000.00	0.00	0.00	7000.00	0.00	0.00	0.00	0.00	0.00	0.00	
7103.00	0.00	0.00	7103.00	0.00	0.00	0.00	0.00	0.00	0.00	Mesaverde
7200.00	0.00	0.00	7200.00	0.00	0.00	0.00	0.00	0.00	0.00	
7400.00	0.00	0.00	7400.00	0.00	0.00	0.00	0.00	0.00	0.00	
7600.00	0.00	0.00	7600.00	0.00	0.00	0.00	0.00	0.00	0.00	
7800.00	0.00	0.00	7800.00	0.00	0.00	0.00	0.00	0.00	0.00	
8000.00	0.00	0.00	8000.00	0.00	0.00	0.00	0.00	0.00	0.00	
8200.00	0.00	0.00	8200.00	0.00	0.00	0.00	0.00	0.00	0.00	
8400.00	0.00	0.00	8400.00	0.00	0.00	0.00	0.00	0.00	0.00	
8600.00	0.00	0.00	8600.00	0.00	0.00	0.00	0.00	0.00	0.00	
8800.00	0.00	0.00	8800.00	0.00	0.00	0.00	0.00	0.00	0.00	
9000.00	0.00	0.00	9000.00	0.00	0.00	0.00	0.00	0.00	0.00	
9200.00	0.00	0.00	9200.00	0.00	0.00	0.00	0.00	0.00	0.00	PBHL

Targets

Name	Description Dip.	Dir.	TVD	+N/-S	+E/-W	Map Northing	Map Easting	<---- Latitude ----> Deg Min Sec	<--- Longitude ---> Deg Min Sec

Casing Points

MD ft	TVD ft	Diameter in	Hole Size in	Name
2200.00	2200.00	0.00	0.00	CSG

Annotation

MD ft	TVD ft	
0.01	0.01	HOLD
9200.00	9200.00	PBHL

Company:	Anadarko-Kerr-McGee	**Date:** 7/8/2008	**Time:** 14:09:35	**Page:**	3
Field:	UINTAH COUNTY, UTAH (NAD 27)	**Co-ordinate(NE) Reference:**	Well: 7AT, True North		
Site:	NBU 1022-7A PAD	**Vertical (TVD) Reference:**	SITE 5261.0		
Well:	7AT	**Section (VS) Reference:**	Well (0.00N,0.00E,0.00Azi)		
Wellpath:	1	**Survey Calculation Method:**	Minimum Curvature	**Db:**	Sybase

Formations

MD ft	TVD ft	Formations	Lithology	Dip Angle deg	Dip Direction deg
1295.00	1295.00	Green River		0.00	0.00
4526.00	4526.00	Wasatch		0.00	0.00
7103.00	7103.00	Mesaverde		0.00	0.00

Weatherford Drilling Services

GeoDec v4.3.065

Report Date:	July 08, 2008
Job Number:	
Customer:	ANADARKO
Well Name:	NBU 1022-7AT
API Number:	
Rig Name:	
Location:	UINTAH COUNTY, UTAH
Block:	
Engineer:	R JOYNER

Geodetic Latitude / Longitude
System: Latitude / Longitude
Projection: Geodetic Latitude and Longitude
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Latitude 39.9700530 DEG
Longitude -109.4747080 DEG

Geodetic Latitude / Longitude
System: Latitude / Longitude
Projection: Geodetic Latitude and Longitude
Datum: NAD 1927 (NADCON CONUS)
Ellipsoid: Clarke 1866
Latitude 39 58 12.1908000 DMS
Longitude -109 28 28.9488000 DMS
Grid Convergence: 1.29735870°
Total Correction: +10.1672°

Geodetic Location WGS84	Elevation =	0.0 Meters
Latitude =	39.97005° N	39° 58 min 12.191 sec
Longitude =	109.47471° W	109° 28 min 28.949 sec

Magnetic Declination =	11.4650°	[True North Offset]	
Local Gravity =	.9995 g		
Local Field Strength =	52640 nT	Magnetic Vector X =	21048 nT
Magnetic Dip =	65.9220°	Magnetic Vector Y =	4269 nT
Magnetic Model =	bggm2007	Magnetic Vector Z =	48060 nT
Spud Date =	Jul 08, 2008	Magnetic Vector H =	21476 nT

Signed:_____ Date:_____

Weatherford
Anticollision Report

Company:	Anadarko-Kerr-McGee	**Date:** 7/8/2008	**Time:** 14:47:44	**Page:**	1
Field:	UINTAH COUNTY, UTAH (NAD 27)				
Reference Site:	NBU 1022-7A PAD	**Co-ordinate(NE) Reference:**	Well: 7AT, True North		
Reference Well:	7AT	**Vertical (TVD) Reference:**	SITE 5261.0		
Reference Wellpath:	1			**Db:**	Sybase

NO GLOBAL SCAN: Using user defined selection & scan criteria		**Reference:**	Plan: Plan #1
Interpolation Method:	MD + Stations **Interval:** 100.00 ft	**Error Model:**	ISCWSA Ellipse
Depth Range:	0.00 **to** 9376.38 ft	**Scan Method:**	Closest Approach 3D
Maximum Radius:	10000.00 ft	**Error Surface:**	Ellipse

Plan:	Plan #1	**Date Composed:**	7/8/2008
		Version:	1
Principal:	Yes	**Tied-to:**	From Surface

Summary

<---------- Offset Wellpath ----------> Site	Well	Wellpath	Reference MD ft	Offset MD ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
NBU 1022-7A PAD	7A4BS	1 V0 Plan: Plan #1 V1	2300.00	2299.78	20.14	10.75	2.15	
NBU 1022-7A PAD	7A4CS	1 V0 Plan: Plan #1 V1	2500.00	2500.33	16.30	6.99	1.75	

Site: NBU 1022-7A PAD
Well: 7A4BS
Wellpath: 1 V0 Plan: Plan #1 V1 **Inter-Site Error:** 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
0.00	0.00	0.00	0.00	0.00	0.00	135.31	-14.16	14.01	19.92			No Data
100.00	100.00	100.00	100.00	0.09	0.09	135.31	-14.16	14.01	19.92	19.75	115.99	
200.00	200.00	200.00	200.00	0.30	0.30	135.31	-14.16	14.01	19.92	19.33	33.73	
300.00	300.00	300.00	300.00	0.50	0.50	135.31	-14.16	14.01	19.92	18.91	19.73	
400.00	400.00	400.00	400.00	0.71	0.71	135.31	-14.16	14.01	19.92	18.49	13.95	
500.00	500.00	500.00	500.00	0.92	0.92	135.31	-14.16	14.01	19.92	18.07	10.78	
600.00	600.00	600.00	600.00	1.13	1.13	135.31	-14.16	14.01	19.92	17.65	8.79	
700.00	700.00	700.00	700.00	1.34	1.34	135.31	-14.16	14.01	19.92	17.23	7.42	
800.00	800.00	800.00	800.00	1.55	1.55	135.31	-14.16	14.01	19.92	16.82	6.42	
900.00	900.00	900.00	900.00	1.76	1.76	135.31	-14.16	14.01	19.92	16.40	5.65	
1000.00	1000.00	1000.00	1000.00	1.97	1.97	135.31	-14.16	14.01	19.92	15.98	5.05	
1100.00	1100.00	1100.00	1100.00	2.18	2.18	135.31	-14.16	14.01	19.92	15.56	4.57	
1200.00	1200.00	1200.00	1200.00	2.39	2.39	135.31	-14.16	14.01	19.92	15.14	4.17	
1300.00	1300.00	1300.00	1300.00	2.60	2.60	135.31	-14.16	14.01	19.92	14.72	3.83	
1400.00	1400.00	1400.00	1400.00	2.81	2.81	135.31	-14.16	14.01	19.92	14.30	3.55	
1500.00	1500.00	1500.00	1500.00	3.02	3.02	135.31	-14.16	14.01	19.92	13.88	3.30	
1600.00	1600.00	1600.00	1600.00	3.23	3.23	135.31	-14.16	14.01	19.92	13.46	3.09	
1700.00	1700.00	1700.00	1700.00	3.44	3.44	135.31	-14.16	14.01	19.92	13.05	2.90	
1800.00	1800.00	1800.00	1800.00	3.65	3.65	135.31	-14.16	14.01	19.92	12.63	2.73	
1900.00	1900.00	1900.00	1900.00	3.86	3.86	135.31	-14.16	14.01	19.92	12.21	2.58	
2000.00	2000.00	2000.00	2000.00	4.07	4.07	135.31	-14.16	14.01	19.92	11.79	2.45	
2100.00	2100.00	2100.00	2100.00	4.27	4.27	135.31	-14.16	14.01	19.92	11.37	2.33	
2200.00	2200.00	2200.00	2200.00	4.48	4.48	135.31	-14.16	14.01	19.92	10.95	2.22	
2300.00	2300.00	2299.78	2299.78	4.69	4.69	135.79	-14.43	14.04	20.14	10.75	2.15	
2400.00	2400.00	2399.13	2399.07	4.90	4.90	140.58	-17.52	14.40	22.69	12.89	2.32	
2500.00	2500.00	2498.14	2497.87	5.11	5.11	147.72	-23.99	15.15	28.45	18.24	2.79	
2600.00	2600.00	2596.59	2595.82	5.32	5.33	154.26	-33.78	16.29	37.73	27.12	3.56	
2700.00	2700.00	2694.25	2692.59	5.53	5.55	159.18	-46.79	17.80	50.61	39.60	4.60	
2800.00	2800.00	2790.90	2787.86	5.74	5.79	162.64	-62.88	19.66	67.00	55.60	5.88	
2900.00	2900.00	2886.34	2881.36	5.95	6.06	165.05	-81.90	21.87	86.80	75.02	7.37	
3000.00	3000.00	2980.39	2972.82	6.16	6.34	166.76	-103.66	24.40	109.90	97.74	9.04	
3100.00	3100.00	3077.01	3066.36	6.37	6.67	167.98	-127.70	27.19	134.82	122.24	10.71	
3200.00	3200.00	3173.82	3160.09	6.58	7.01	168.83	-151.79	29.98	159.79	146.77	12.27	
3300.00	3300.00	3270.63	3253.81	6.79	7.37	169.44	-175.88	32.78	184.78	171.32	13.73	
3400.00	3400.00	3367.45	3347.54	7.00	7.75	169.91	-199.97	35.57	209.78	195.88	15.09	
3500.00	3500.00	3464.26	3441.26	7.21	8.14	170.28	-224.06	38.37	234.79	220.45	16.37	

Company:	Anadarko-Kerr-McGee	**Date:** 7/8/2008	**Time:** 14:47:44	**Page:**	2
Field:	UINTAH COUNTY, UTAH (NAD 27)				
Reference Site:	NBU 1022-7A PAD	**Co-ordinate(NE) Reference:**	Well: 7AT, True North		
Reference Well:	7AT	**Vertical (TVD) Reference:**	SITE 5261.0		
Reference Wellpath:	1			**Db:**	Sybase

Site: NBU 1022-7A PAD
Well: 7A4BS
Wellpath: 1 V0 Plan: Plan #1 V1 **Inter-Site Error:** 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
3600.00	3600.00	3561.07	3534.98	7.42	8.54	170.58	-248.16	41.17	259.81	245.03	17.57	
3700.00	3700.00	3657.88	3628.71	7.63	8.95	170.83	-272.25	43.96	284.84	269.61	18.70	
3800.00	3800.00	3754.69	3722.43	7.84	9.36	171.03	-296.34	46.76	309.87	294.19	19.77	
3900.00	3900.00	3851.50	3816.16	8.04	9.79	171.21	-320.43	49.55	334.90	318.78	20.77	
4000.00	4000.00	3948.31	3909.88	8.25	10.22	171.36	-344.52	52.35	359.94	343.36	21.71	
4100.00	4100.00	4045.12	4003.60	8.46	10.66	171.49	-368.61	55.15	384.98	367.95	22.61	
4200.00	4200.00	4146.68	4101.99	8.67	11.03	171.61	-393.64	58.05	409.79	392.37	23.53	
4300.00	4300.00	4256.18	4208.66	8.88	11.19	171.71	-418.15	60.89	432.32	414.72	24.56	
4400.00	4400.00	4367.05	4317.35	9.09	11.23	171.80	-439.86	63.41	452.03	434.36	25.59	
4500.00	4500.00	4479.13	4427.83	9.30	11.26	171.86	-458.61	65.59	468.87	451.15	26.46	
4600.00	4600.00	4592.24	4539.83	9.51	11.27	171.91	-474.27	67.41	482.80	465.04	27.18	
4700.00	4700.00	4706.20	4653.10	9.72	11.26	171.95	-486.70	68.85	493.78	475.99	27.76	
4800.00	4800.00	4820.82	4767.34	9.93	11.21	171.97	-495.82	69.91	501.79	483.99	28.19	
4900.00	4900.00	4935.88	4882.26	10.14	11.12	171.99	-501.54	70.57	506.79	489.00	28.48	
5000.00	5000.00	5051.19	4997.54	10.35	11.01	172.00	-503.82	70.84	508.78	491.01	28.62	
5100.00	5100.00	5153.65	5100.00	10.56	11.05	172.00	-503.87	70.84	508.82	490.69	28.06	
5200.00	5200.00	5253.65	5200.00	10.77	11.18	172.00	-503.87	70.84	508.82	490.30	27.46	
5300.00	5300.00	5353.65	5300.00	10.98	11.31	172.00	-503.87	70.84	508.82	489.90	26.89	
5400.00	5400.00	5453.65	5400.00	11.19	11.45	172.00	-503.87	70.84	508.82	489.50	26.34	
5500.00	5500.00	5553.65	5500.00	11.40	11.58	172.00	-503.87	70.84	508.82	489.10	25.80	
5600.00	5600.00	5653.65	5600.00	11.61	11.72	172.00	-503.87	70.84	508.82	488.71	25.29	
5700.00	5700.00	5753.65	5700.00	11.81	11.86	172.00	-503.87	70.84	508.82	488.31	24.80	
5800.00	5800.00	5853.65	5800.00	12.02	12.01	172.00	-503.87	70.84	508.82	487.90	24.32	
5900.00	5900.00	5953.65	5900.00	12.23	12.15	172.00	-503.87	70.84	508.82	487.50	23.87	
6000.00	6000.00	6053.65	6000.00	12.44	12.30	172.00	-503.87	70.84	508.82	487.10	23.42	
6100.00	6100.00	6153.65	6100.00	12.65	12.44	172.00	-503.87	70.84	508.82	486.70	23.00	
6200.00	6200.00	6253.65	6200.00	12.86	12.59	172.00	-503.87	70.84	508.82	486.29	22.58	
6300.00	6300.00	6353.65	6300.00	13.07	12.75	172.00	-503.87	70.84	508.82	485.89	22.19	
6400.00	6400.00	6453.65	6400.00	13.28	12.90	172.00	-503.87	70.84	508.82	485.48	21.80	
6500.00	6500.00	6553.65	6500.00	13.49	13.05	172.00	-503.87	70.84	508.82	485.08	21.43	
6600.00	6600.00	6653.65	6600.00	13.70	13.21	172.00	-503.87	70.84	508.82	484.67	21.07	
6700.00	6700.00	6753.65	6700.00	13.91	13.37	172.00	-503.87	70.84	508.82	484.26	20.72	
6800.00	6800.00	6853.65	6800.00	14.12	13.53	172.00	-503.87	70.84	508.82	483.86	20.38	
6900.00	6900.00	6953.65	6900.00	14.33	13.69	172.00	-503.87	70.84	508.82	483.45	20.05	
7000.00	7000.00	7053.65	7000.00	14.54	13.85	172.00	-503.87	70.84	508.82	483.04	19.74	
7100.00	7100.00	7153.65	7100.00	14.75	14.01	172.00	-503.87	70.84	508.82	482.63	19.43	
7200.00	7200.00	7253.65	7200.00	14.96	14.18	172.00	-503.87	70.84	508.82	482.22	19.13	
7300.00	7300.00	7353.65	7300.00	15.17	14.34	172.00	-503.87	70.84	508.82	481.82	18.84	
7400.00	7400.00	7453.65	7400.00	15.37	14.51	172.00	-503.87	70.84	508.82	481.41	18.56	
7500.00	7500.00	7553.65	7500.00	15.58	14.68	172.00	-503.87	70.84	508.82	481.00	18.29	
7600.00	7600.00	7653.65	7600.00	15.79	14.84	172.00	-503.87	70.84	508.82	480.59	18.02	
7700.00	7700.00	7753.65	7700.00	16.00	15.01	172.00	-503.87	70.84	508.82	480.18	17.76	
7800.00	7800.00	7853.65	7800.00	16.21	15.19	172.00	-503.87	70.84	508.82	479.77	17.51	
7900.00	7900.00	7953.65	7900.00	16.42	15.36	172.00	-503.87	70.84	508.82	479.35	17.27	
8000.00	8000.00	8053.65	8000.00	16.63	15.53	172.00	-503.87	70.84	508.82	478.94	17.03	
8100.00	8100.00	8153.65	8100.00	16.84	15.70	172.00	-503.87	70.84	508.82	478.53	16.80	
8200.00	8200.00	8253.65	8200.00	17.05	15.88	172.00	-503.87	70.84	508.82	478.12	16.57	
8300.00	8300.00	8353.65	8300.00	17.26	16.05	172.00	-503.87	70.84	508.82	477.71	16.35	
8400.00	8400.00	8453.65	8400.00	17.47	16.23	172.00	-503.87	70.84	508.82	477.30	16.14	
8500.00	8500.00	8553.65	8500.00	17.68	16.41	172.00	-503.87	70.84	508.82	476.88	15.93	
8600.00	8600.00	8653.65	8600.00	17.89	16.58	172.00	-503.87	70.84	508.82	476.47	15.73	

Company:	Anadarko-Kerr-McGee	**Date:** 7/8/2008	**Time:** 14:47:44	**Page:**	3
Field:	UINTAH COUNTY, UTAH (NAD 27)				
Reference Site:	NBU 1022-7A PAD	**Co-ordinate(NE) Reference:**	Well: 7AT, True North		
Reference Well:	7AT	**Vertical (TVD) Reference:**	SITE 5261.0		
Reference Wellpath:	1			**Db:**	Sybase

Site: NBU 1022-7A PAD
Well: 7A4BS
Wellpath: 1 V0 Plan: Plan #1 V1 **Inter-Site Error:** 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
8700.00	8700.00	8753.65	8700.00	18.10	16.76	172.00	-503.87	70.84	508.82	476.06	15.53	
8800.00	8800.00	8853.65	8800.00	18.31	16.94	172.00	-503.87	70.84	508.82	475.65	15.34	
8900.00	8900.00	8953.65	8900.00	18.52	17.12	172.00	-503.87	70.84	508.82	475.23	15.15	
9000.00	9000.00	9053.65	9000.00	18.73	17.30	172.00	-503.87	70.84	508.82	474.82	14.96	
9100.00	9100.00	9153.65	9100.00	18.94	17.48	172.00	-503.87	70.84	508.82	474.41	14.78	
9200.00	9200.00	9253.65	9200.00	19.14	17.66	172.00	-503.87	70.84	508.82	473.99	14.61	

Site: NBU 1022-7A PAD
Well: 7A4CS
Wellpath: 1 V0 Plan: Plan #1 V1 **Inter-Site Error:** 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
0.00	0.00	0.00	0.00	0.00	0.00	315.30	14.17	-14.02	19.93			No Data
100.00	100.00	100.00	100.00	0.09	0.09	315.30	14.17	-14.02	19.93	19.76	116.07	
200.00	200.00	200.00	200.00	0.30	0.30	315.30	14.17	-14.02	19.93	19.34	33.75	
300.00	300.00	300.00	300.00	0.50	0.50	315.30	14.17	-14.02	19.93	18.92	19.75	
400.00	400.00	400.00	400.00	0.71	0.71	315.30	14.17	-14.02	19.93	18.51	13.96	
500.00	500.00	500.00	500.00	0.92	0.92	315.30	14.17	-14.02	19.93	18.09	10.79	
600.00	600.00	600.00	600.00	1.13	1.13	315.30	14.17	-14.02	19.93	17.67	8.80	
700.00	700.00	700.00	700.00	1.34	1.34	315.30	14.17	-14.02	19.93	17.25	7.42	
800.00	800.00	800.00	800.00	1.55	1.55	315.30	14.17	-14.02	19.93	16.83	6.42	
900.00	900.00	900.00	900.00	1.76	1.76	315.30	14.17	-14.02	19.93	16.41	5.66	
1000.00	1000.00	1000.00	1000.00	1.97	1.97	315.30	14.17	-14.02	19.93	15.99	5.06	
1100.00	1100.00	1100.00	1100.00	2.18	2.18	315.30	14.17	-14.02	19.93	15.57	4.57	
1200.00	1200.00	1200.00	1200.00	2.39	2.39	315.30	14.17	-14.02	19.93	15.15	4.17	
1300.00	1300.00	1300.00	1300.00	2.60	2.60	315.30	14.17	-14.02	19.93	14.74	3.83	
1400.00	1400.00	1400.00	1400.00	2.81	2.81	315.30	14.17	-14.02	19.93	14.32	3.55	
1500.00	1500.00	1500.00	1500.00	3.02	3.02	315.30	14.17	-14.02	19.93	13.90	3.30	
1600.00	1600.00	1600.00	1600.00	3.23	3.23	315.30	14.17	-14.02	19.93	13.48	3.09	
1700.00	1700.00	1700.00	1700.00	3.44	3.44	315.30	14.17	-14.02	19.93	13.06	2.90	
1800.00	1800.00	1800.00	1800.00	3.65	3.65	315.30	14.17	-14.02	19.93	12.64	2.73	
1900.00	1900.00	1900.00	1900.00	3.86	3.86	315.30	14.17	-14.02	19.93	12.22	2.58	
2000.00	2000.00	2000.00	2000.00	4.07	4.07	315.30	14.17	-14.02	19.93	11.80	2.45	
2100.00	2100.00	2100.00	2100.00	4.27	4.27	315.30	14.17	-14.02	19.93	11.38	2.33	
2200.00	2200.00	2200.00	2200.00	4.48	4.48	315.30	14.17	-14.02	19.93	10.97	2.22	
2300.00	2300.00	2300.20	2300.20	4.69	4.61	314.47	13.82	-14.08	19.73	10.43	2.12	
2400.00	2400.00	2400.53	2400.44	4.90	4.40	303.91	9.93	-14.77	17.80	8.49	1.91	
2500.00	2500.00	2500.33	2499.89	5.11	4.20	276.24	1.77	-16.21	16.30	6.99	1.75	
2600.00	2600.00	2599.57	2598.43	5.32	4.02	241.76	-9.80	-18.25	20.77	11.45	2.23	
2700.00	2700.00	2698.82	2696.94	5.53	3.85	223.14	-21.71	-20.35	29.92	20.59	3.21	
2800.00	2800.00	2798.07	2795.46	5.74	3.70	213.73	-33.63	-22.45	40.69	31.35	4.36	
2900.00	2900.00	2896.38	2892.94	5.95	3.57	207.85	-46.09	-24.35	52.60	43.26	5.63	
3000.00	3000.00	2993.06	2988.30	6.16	3.49	202.21	-61.93	-25.28	67.90	58.55	7.26	
3100.00	3100.00	3088.29	3081.54	6.37	3.48	197.21	-81.32	-25.19	87.11	77.74	9.30	
3200.00	3200.00	3181.79	3172.23	6.58	3.56	193.06	-103.98	-24.13	110.30	100.90	11.74	
3300.00	3300.00	3273.30	3260.06	6.79	3.74	189.70	-129.61	-22.16	137.43	127.97	14.54	
3400.00	3400.00	3362.61	3344.72	7.00	4.02	186.99	-157.87	-19.35	168.39	158.84	17.64	
3500.00	3500.00	3449.52	3426.01	7.21	4.39	184.79	-188.41	-15.77	203.04	193.36	20.98	
3600.00	3600.00	3537.72	3507.41	7.42	4.85	182.94	-222.09	-11.40	240.89	231.02	24.41	
3700.00	3700.00	3629.81	3592.20	7.63	5.38	181.49	-257.68	-6.72	279.40	269.28	27.60	
3800.00	3800.00	3721.89	3677.00	7.84	5.95	180.40	-293.28	-2.04	318.03	307.62	30.54	

Company:	Anadarko-Kerr-McGee	**Date:** 7/8/2008	**Time:** 14:47:44	**Page:**	4
Field:	UINTAH COUNTY, UTAH (NAD 27)				
Reference Site:	NBU 1022-7A PAD	**Co-ordinate(NE) Reference:**	Well: 7AT, True North		
Reference Well:	7AT	**Vertical (TVD) Reference:**	SITE 5261.0		
Reference Wellpath:	1			**Db:**	Sybase

Site: NBU 1022-7A PAD
Well: 7A4CS
Wellpath: 1 V0 Plan: Plan #1 V1 **Inter-Site Error:** 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
3900.00	3900.00	3813.98	3761.80	8.04	6.55	179.54	-328.88	2.65	356.74	346.00	33.21	
4000.00	4000.00	3906.07	3846.60	8.25	7.16	178.85	-364.47	7.33	395.50	384.40	35.63	
4100.00	4100.00	3998.15	3931.40	8.46	7.79	178.28	-400.07	12.01	434.31	422.82	37.82	
4200.00	4200.00	4090.24	4016.20	8.67	8.42	177.80	-435.66	16.70	473.14	461.25	39.78	
4300.00	4300.00	4182.33	4101.00	8.88	9.07	177.40	-471.26	21.38	512.00	499.68	41.57	
4400.00	4400.00	4274.41	4185.80	9.09	9.72	177.06	-506.85	26.07	550.87	538.12	43.18	
4500.00	4500.00	4366.50	4270.60	9.30	10.38	176.76	-542.45	30.75	589.76	576.56	44.65	
4600.00	4600.00	4468.11	4364.34	9.51	11.06	176.47	-581.32	35.86	628.30	614.61	45.89	
4700.00	4700.00	4580.26	4468.87	9.72	11.68	176.21	-621.60	41.16	664.45	650.27	46.83	
4800.00	4800.00	4694.92	4576.92	9.93	12.26	176.00	-659.61	46.17	697.84	683.16	47.54	
4900.00	4900.00	4811.95	4688.35	10.14	12.81	175.82	-695.07	50.83	728.36	713.19	48.03	
5000.00	5000.00	4931.21	4802.97	10.35	13.34	175.67	-727.71	55.13	755.93	740.29	48.34	
5100.00	5100.00	5052.51	4920.55	10.56	13.83	175.54	-757.25	59.01	780.46	764.37	48.49	
5200.00	5200.00	5175.66	5040.82	10.77	14.27	175.44	-783.45	62.46	801.89	785.35	48.49	
5300.00	5300.00	5300.44	5163.50	10.98	14.67	175.36	-806.05	65.43	820.14	803.18	48.35	
5400.00	5400.00	5426.62	5288.24	11.19	15.01	175.29	-824.85	67.91	835.16	817.79	48.10	
5500.00	5500.00	5553.93	5414.66	11.40	15.28	175.24	-839.68	69.86	846.89	829.15	47.73	
5600.00	5600.00	5682.11	5542.38	11.61	15.50	175.21	-850.38	71.27	855.30	837.20	47.25	
5700.00	5700.00	5810.87	5670.97	11.81	15.66	175.19	-856.84	72.12	860.36	841.92	46.66	
5800.00	5800.00	5939.92	5800.00	12.02	15.73	175.18	-859.00	72.40	862.04	843.34	46.08	
5900.00	5900.00	6039.92	5900.00	12.23	15.75	175.18	-859.00	72.40	862.04	843.08	45.47	
6000.00	6000.00	6139.92	6000.00	12.44	15.79	175.18	-859.00	72.40	862.04	842.77	44.72	
6100.00	6100.00	6239.92	6100.00	12.65	15.84	175.18	-859.00	72.40	862.04	842.44	43.98	
6200.00	6200.00	6339.92	6200.00	12.86	15.89	175.18	-859.00	72.40	862.04	842.12	43.26	
6300.00	6300.00	6439.92	6300.00	13.07	15.94	175.18	-859.00	72.40	862.04	841.79	42.55	
6400.00	6400.00	6539.92	6400.00	13.28	16.00	175.18	-859.00	72.40	862.04	841.45	41.86	
6500.00	6500.00	6639.92	6500.00	13.49	16.05	175.18	-859.00	72.40	862.04	841.11	41.19	
6600.00	6600.00	6739.92	6600.00	13.70	16.12	175.18	-859.00	72.40	862.04	840.77	40.52	
6700.00	6700.00	6839.92	6700.00	13.91	16.18	175.18	-859.00	72.40	862.04	840.43	39.88	
6800.00	6800.00	6939.92	6800.00	14.12	16.24	175.18	-859.00	72.40	862.04	840.08	39.24	
6900.00	6900.00	7039.92	6900.00	14.33	16.31	175.18	-859.00	72.40	862.04	839.73	38.62	
7000.00	7000.00	7139.92	7000.00	14.54	16.38	175.18	-859.00	72.40	862.04	839.37	38.02	
7100.00	7100.00	7239.92	7100.00	14.75	16.45	175.18	-859.00	72.40	862.04	839.01	37.43	
7200.00	7200.00	7339.92	7200.00	14.96	16.53	175.18	-859.00	72.40	862.04	838.65	36.85	
7300.00	7300.00	7439.92	7300.00	15.17	16.60	175.18	-859.00	72.40	862.04	838.29	36.29	
7400.00	7400.00	7539.92	7400.00	15.37	16.68	175.18	-859.00	72.40	862.04	837.93	35.74	
7500.00	7500.00	7639.92	7500.00	15.58	16.76	175.18	-859.00	72.40	862.04	837.56	35.21	
7600.00	7600.00	7739.92	7600.00	15.79	16.85	175.18	-859.00	72.40	862.04	837.19	34.68	
7700.00	7700.00	7839.92	7700.00	16.00	16.93	175.18	-859.00	72.40	862.04	836.82	34.17	
7800.00	7800.00	7939.92	7800.00	16.21	17.02	175.18	-859.00	72.40	862.04	836.45	33.67	
7900.00	7900.00	8039.92	7900.00	16.42	17.11	175.18	-859.00	72.40	862.04	836.07	33.19	
8000.00	8000.00	8139.92	8000.00	16.63	17.20	175.18	-859.00	72.40	862.04	835.69	32.71	
8100.00	8100.00	8239.92	8100.00	16.84	17.30	175.18	-859.00	72.40	862.04	835.32	32.25	
8200.00	8200.00	8339.92	8200.00	17.05	17.40	175.18	-859.00	72.40	862.04	834.94	31.80	
8300.00	8300.00	8439.92	8300.00	17.26	17.49	175.18	-859.00	72.40	862.04	834.55	31.36	
8400.00	8400.00	8539.92	8400.00	17.47	17.59	175.18	-859.00	72.40	862.04	834.17	30.93	
8500.00	8500.00	8639.92	8500.00	17.68	17.70	175.18	-859.00	72.40	862.04	833.79	30.51	
8600.00	8600.00	8739.92	8600.00	17.89	17.80	175.18	-859.00	72.40	862.04	833.40	30.10	
8700.00	8700.00	8839.92	8700.00	18.10	17.91	175.18	-859.00	72.40	862.04	833.02	29.70	
8800.00	8800.00	8939.92	8800.00	18.31	18.01	175.18	-859.00	72.40	862.04	832.63	29.31	
8900.00	8900.00	9039.92	8900.00	18.52	18.12	175.18	-859.00	72.40	862.04	832.24	28.92	

Company:	Anadarko-Kerr-McGee	**Date:** 7/8/2008	**Time:** 14:47:44	**Page:**	5
Field:	UINTAH COUNTY, UTAH (NAD 27)				
Reference Site:	NBU 1022-7A PAD	**Co-ordinate(NE) Reference:**	Well: 7AT, True North		
Reference Well:	7AT	**Vertical (TVD) Reference:**	SITE 5261.0		
Reference Wellpath:	1			**Db:**	Sybase

Site: NBU 1022-7A PAD
Well: 7A4CS
Wellpath: 1 V0 Plan: Plan #1 V1 **Inter-Site Error:** 0.00 ft

Reference MD ft	Reference TVD ft	Offset MD ft	Offset TVD ft	Semi-Major Axis Ref ft	Semi-Major Axis Offset ft	TFO-HS deg	Offset Location North ft	Offset Location East ft	Ctr-Ctr Distance ft	Edge Distance ft	Separation Factor	Warning
9000.00	9000.00	9139.92	9000.00	18.73	18.23	175.18	-859.00	72.40	862.04	831.85	28.55	
9100.00	9100.00	9239.92	9100.00	18.94	18.35	175.18	-859.00	72.40	862.04	831.46	28.19	
9200.00	9200.00	9339.92	9200.00	19.14	18.46	175.18	-859.00	72.40	862.04	831.07	27.83	

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT, #1022-7A4CS & #1022-7B2DS

LOCATED IN UINTAH COUNTY, UTAH
SECTION 7, T10S, R22E, S.L.B.&M.

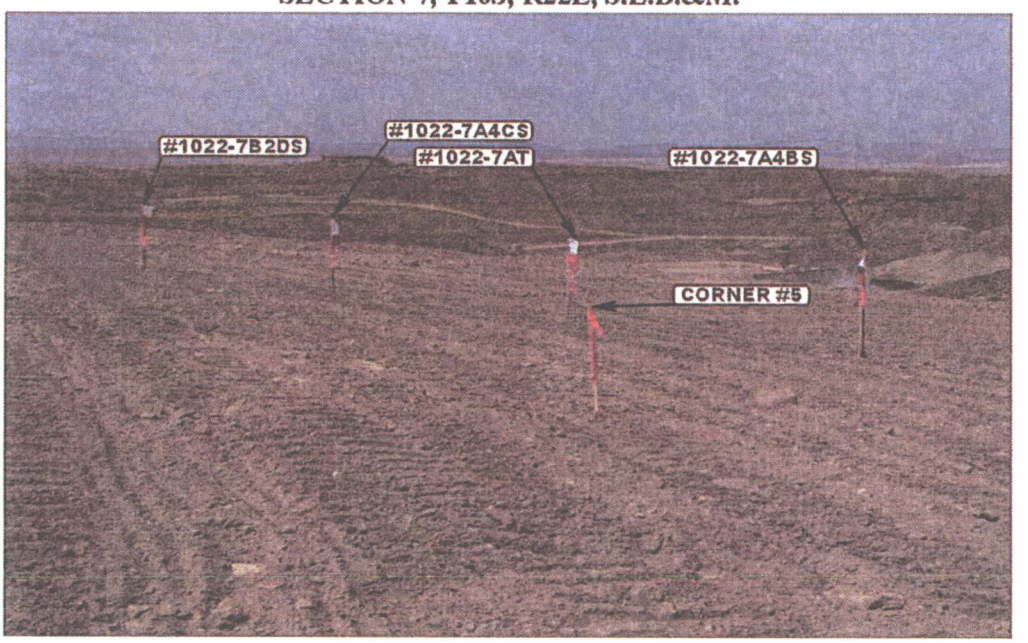


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE — CAMERA ANGLE: NORTHEASTERLY

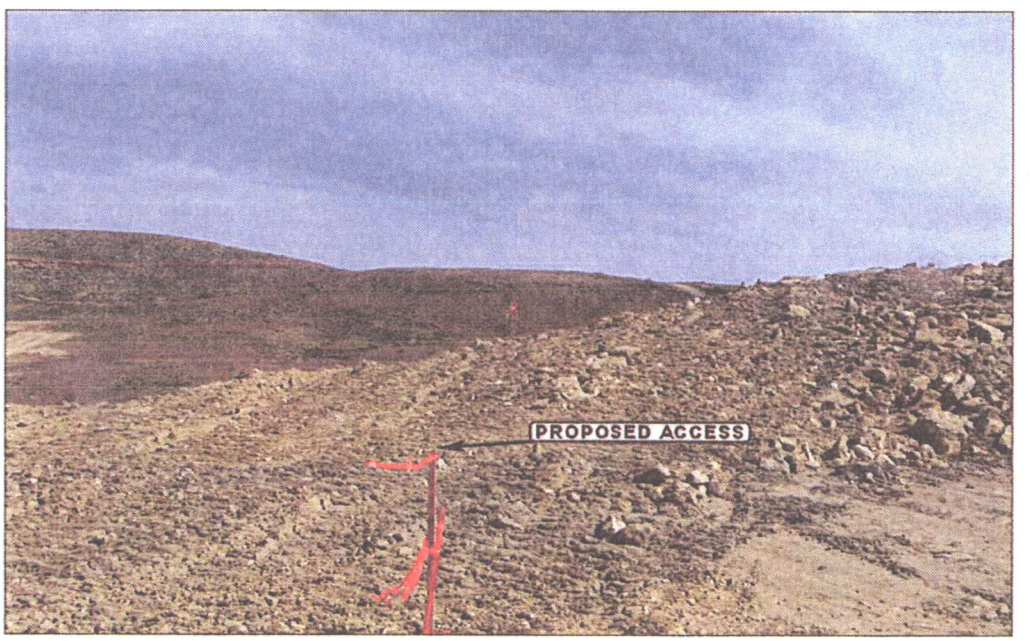


PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS — CAMERA ANGLE: SOUTHERLY

- Since 1964 -
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
435-789-1017

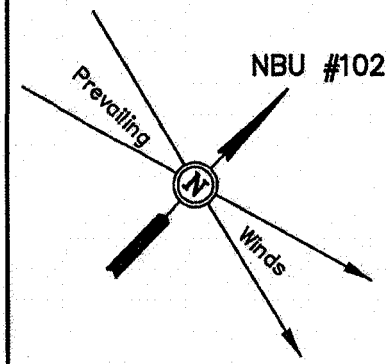
LOCATION PHOTOS	06 MONTH	18 DAY	08 YEAR	PHOTO
TAKEN BY: L.K.	DRAWN BY: Z.L.	REVISED: 00-00-00		

Kerr-McGee Oil & Gas Onshore LP

FIGURE #1

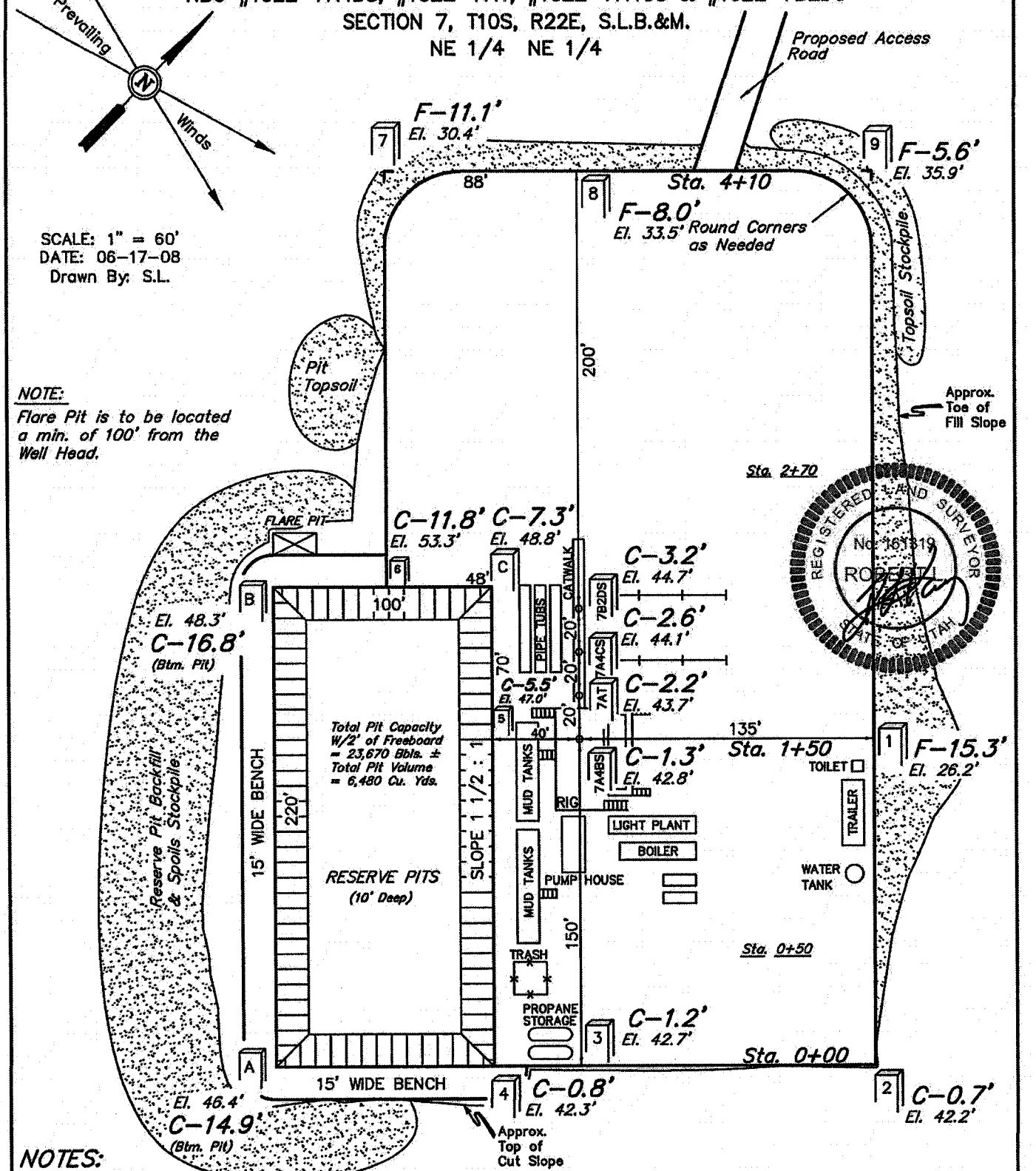
LOCATION LAYOUT FOR

NBU #1022-7A4BS, #1022-7AT, #1022-7A4CS & #1022-7B2DS
SECTION 7, T10S, R22E, S.L.B.&M.
NE 1/4 NE 1/4



SCALE: 1" = 60'
DATE: 06-17-08
Drawn By: S.L.

NOTE:
Flare Pit is to be located a min. of 100' from the Well Head.



NOTES:

Elev. Ungraded Ground #1022-7A4BS At Loc. Stake = 5242.8'

FINISHED GRADE ELEV. #1022-7A4BS AT LOC. STAKE = 5241.5'

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017

Kerr-McGee Oil & Gas Onshore LP

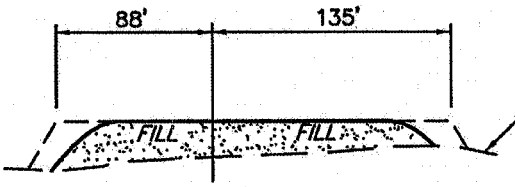
FIGURE #2

X-Section Scale
1" = 40'
1" = 100'

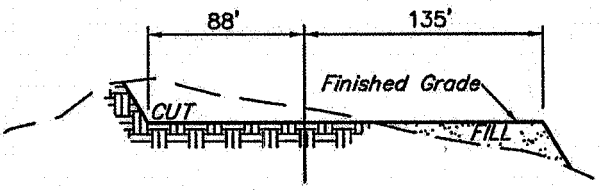
DATE: 06-17-08
DRAWN BY: S.L.

TYPICAL CROSS SECTION FOR

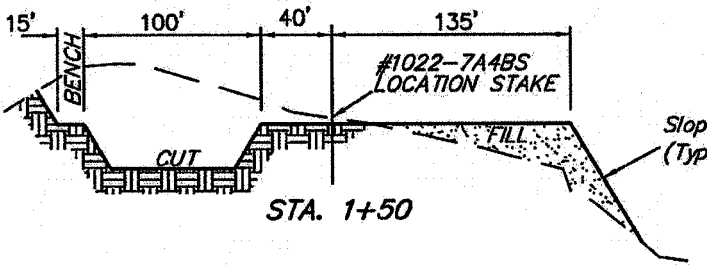
NBU #1022-7A4BS, #1022-7AT, #1022-7A4CS & #1022-7B2DS
SECTION 7, T10S, R22E, S.L.B.&M.
NE 1/4 NE 1/4



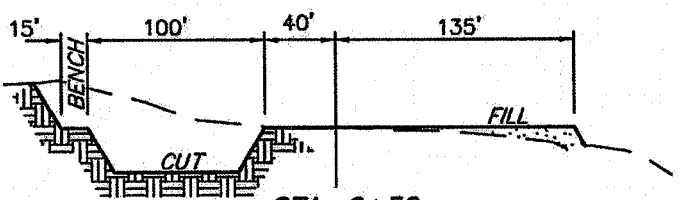
STA. 4+10



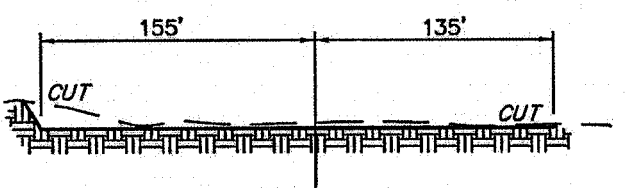
STA. 2+70



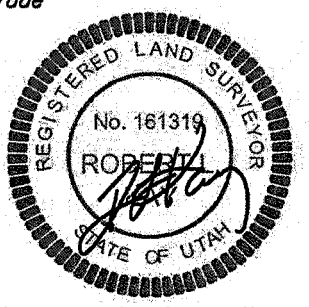
STA. 1+50



STA. 0+50



STA. 0+00



NOTE:
Topsoil should not be Stripped Below Finished Grade on Substructure Area.

* NOTE:
FILL QUANTITY INCLUDES 5% FOR COMPACTION

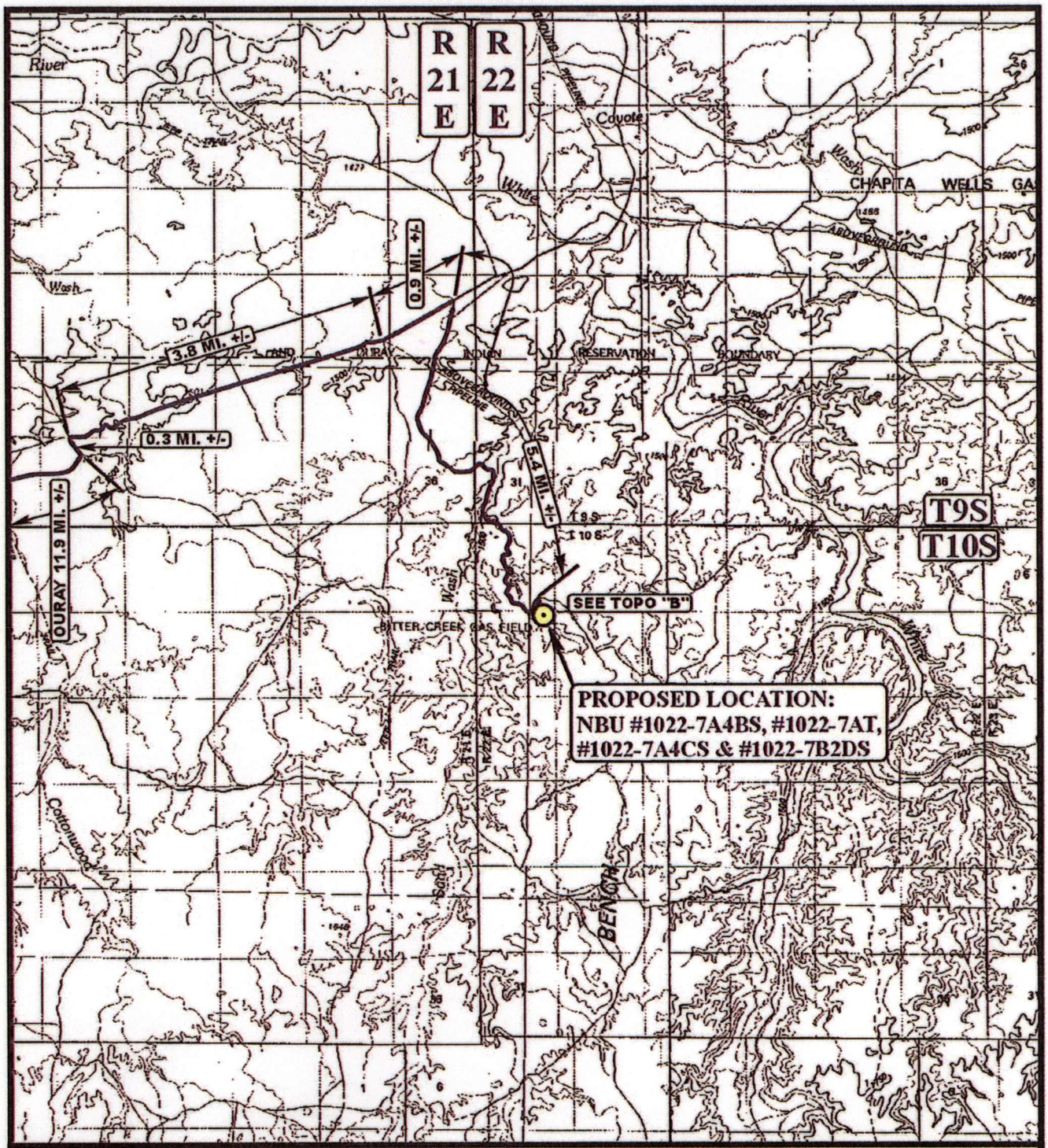
APPROXIMATE YARDAGES

CUT
(6") Topsoil Stripping = 2,400 Cu. Yds.
Remaining Location = 16,230 Cu. Yds.

TOTAL CUT = 18,630 CU.YDS.
FILL = 12,990 CU.YDS.

EXCESS MATERIAL = 5,640 Cu. Yds.
Topsoil & Pit Backfill (1/2 Pit Vol.) = 5,640 Cu. Yds.
EXCESS UNBALANCE (After Interim Rehabilitation) = 0 Cu. Yds.

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East • Vernal, Utah 84078 • (435) 789-1017



LEGEND:

⊙ PROPOSED LOCATION

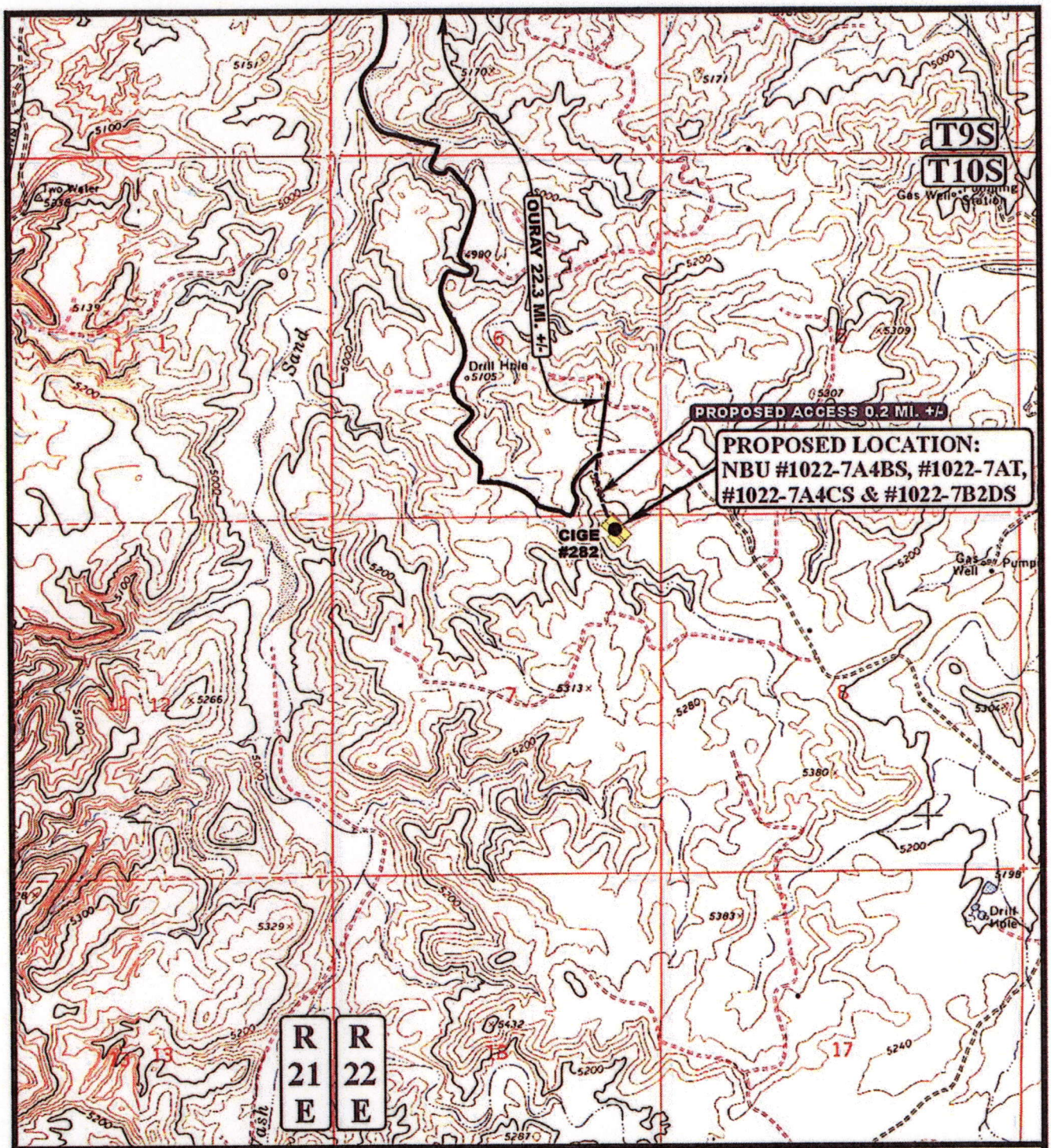
N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT,
#1022-7A4CS & #1022-7B2DS
SECTION 7, T10S, R22E, S.L.B.&M.
NE 1/4 NE 1/4

UELS
Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	18 DAY	08 YEAR	A TOPO
SCALE: 1:100,000	DRAWN BY: Z.L.	REVISED: 00-00-00		



LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

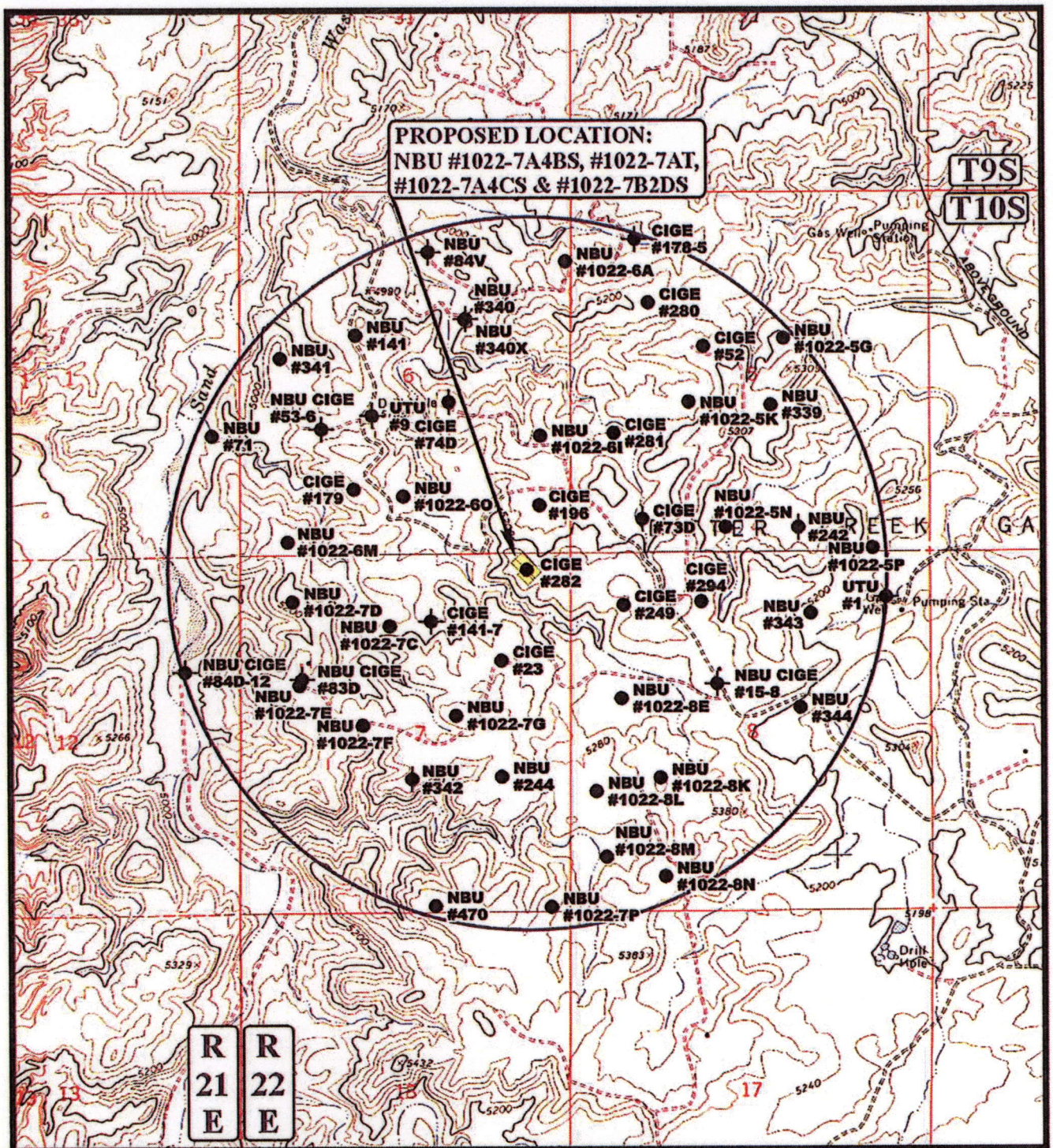
N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT,
#1022-7A4CS & #1022-7B2DS
SECTION 7, T10S, R22E, S.L.B.&M.
NE 1/4 NE 1/4

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	18 DAY	08 YEAR	B TOPO
SCALE: 1" = 2000'	DRAWN BY: Z.L.	REVISED: 00-00-00		



LEGEND:

- DISPOSAL WELLS
- PRODUCING WELLS
- SHUT IN WELLS
- WATER WELLS
- ABANDONED WELLS
- TEMPORARILY ABANDONED

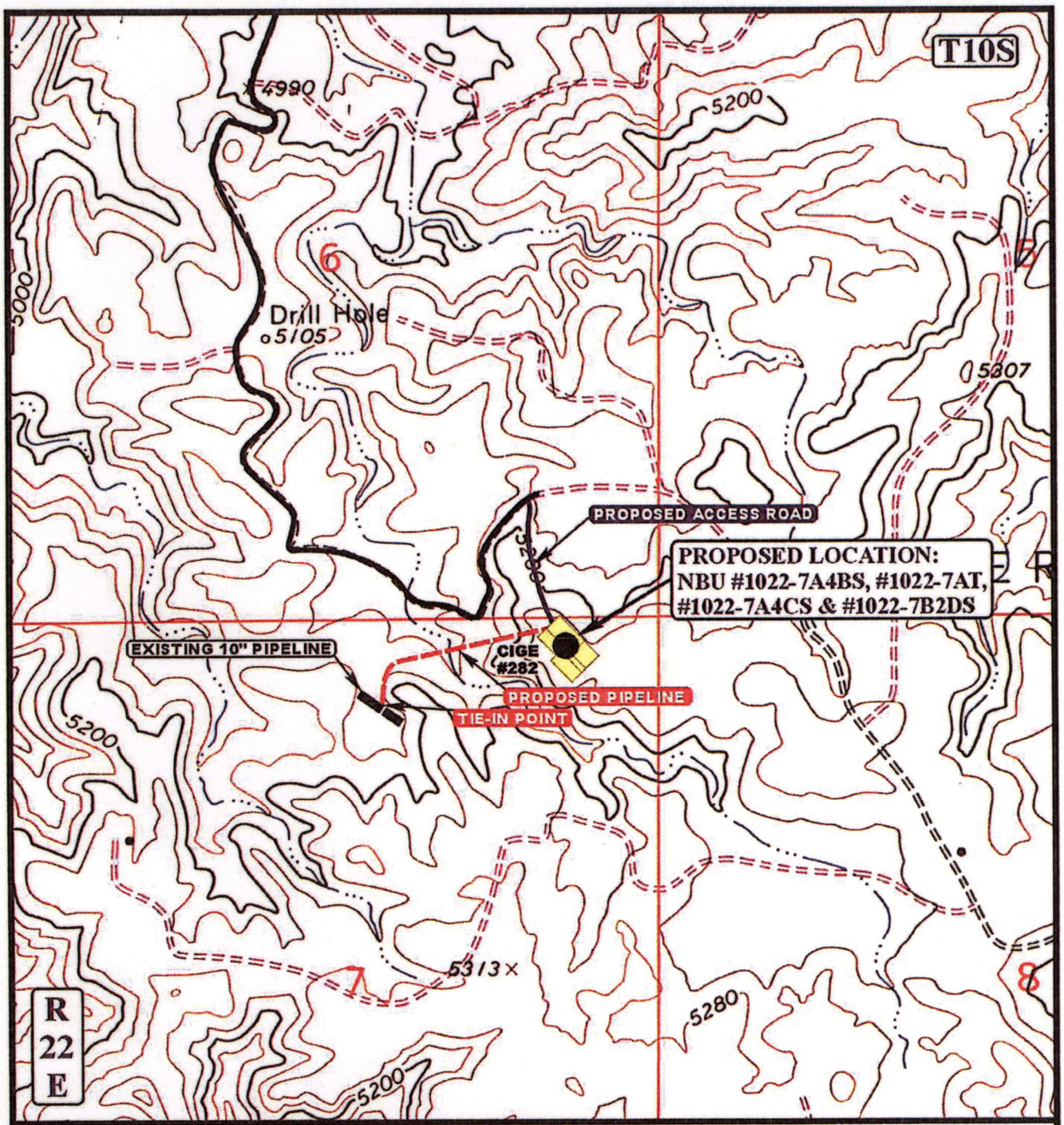
N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT,
#1022-7A4CS & #1022-7B2DS
SECTION 7, T10S, R22E, S.L.B.&M.
NE 1/4 NE 1/4

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP	06 MONTH	18 DAY	08 YEAR	C TOPO
SCALE: 1" = 2000'	DRAWN BY: Z.L.	REVISED: 00-00-00		



APPROXIMATE TOTAL PIPELINE DISTANCE = 1,481' +/-

LEGEND:

EXISTING ROAD

PROPOSED ACCESS ROAD

N

Kerr-McGee Oil & Gas Onshore LP

NBU #1022-7A4BS, #1022-7AT,
#1022-7A4CS & #1022-7B2DS
SECTION 7, T10S, R22E, S.L.B.&M.
NE 1/4 NE 1/4

Uintah Engineering & Land Surveying
85 South 200 East Vernal, Utah 84078
(435) 789-1017 * FAX (435) 789-1813

TOPOGRAPHIC MAP | 06 MONTH | 18 DAY | 08 YEAR | D TOPO

SCALE: 1" = 1000' | DRAWN BY: Z.L. | REVISED: 06-25-08

WORKSHEET

APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 07/22/2008

API NO. ASSIGNED: 43-047-40248

WELL NAME: NBU 1022-07AT

OPERATOR: KERR-MCGEE OIL & GAS (N2995)

PHONE NUMBER: 720-929-6226

CONTACT: KEVIN MCINTYRE

PROPOSED LOCATION:

NENE 07 100S 220E

SURFACE: 0255 FNL 0646 FEL

BOTTOM: 0255 FNL 0646 FEL

COUNTY: UINTAH

LATITUDE: 39.97003 LONGITUDE: -109.4747

UTM SURF EASTINGS: 630264 NORTHINGS: 4425335

FIELD NAME: NATURAL BUTTES (630)

INSPECT LOCATN BY: / /

Tech Review	Initials	Date
Engineering	DKD	9/30/08
Geology		
Surface		

LEASE TYPE: 3 - State

LEASE NUMBER: ST ML 23609

PROPOSED FORMATION: WSMVD

SURFACE OWNER: 3 - State

COALBED METHANE WELL? NO

RECEIVED AND/OR REVIEWED:

✓ Plat

✓ Bond: Fed[] Ind[] Sta[] Fee[]
(No. 22013542)

N Potash (Y/N)

Y Oil Shale 190-5 (B) or 190-3 or 190-13

✓ Water Permit
(No. 43-8496)

N RDCC Review (Y/N)
(Date:)

NA Fee Surf Agreement (Y/N)

NA Intent to Commingle (Y/N)

LOCATION AND SITING:

___ R649-2-3.

Unit: NATURAL BUTTES

___ R649-3-2. General

Siting: 460 From Qtr/Qtr & 920' Between Wells

___ R649-3-3. Exception

✓ Drilling Unit

Board Cause No: 173-14

Eff Date: 12-2-1999

Siting: 460' fr Ubdrs & Uncomm. Tracts

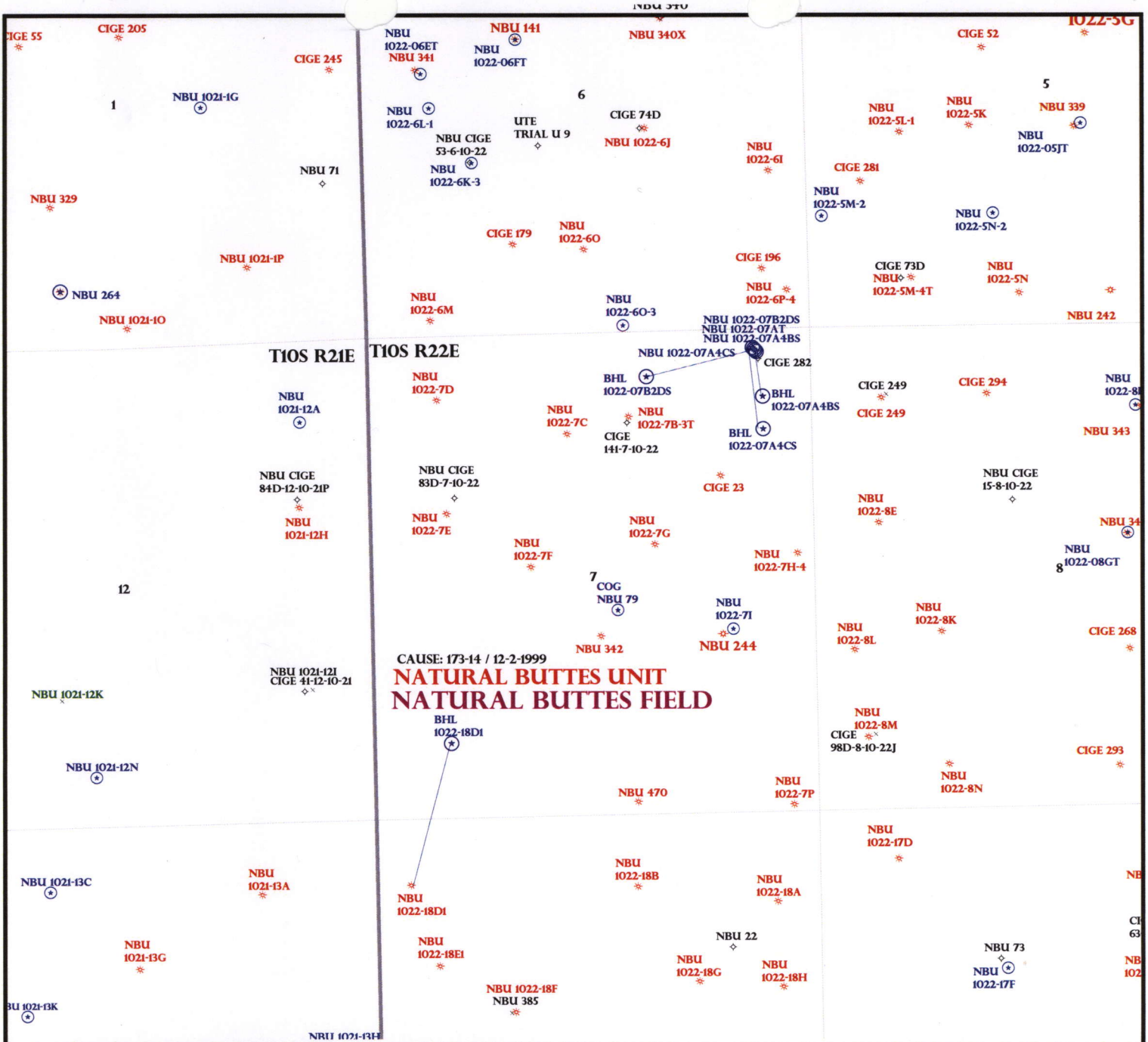
___ R649-3-11. Directional Drill

COMMENTS: Needs Presit. (06-18-08)

STIPULATIONS: 1- STATEMENT OF BASIS

2- OIL SHALE

3- Surface Csg Cmt Stip



OPERATOR: KERR MCGEE O&G (N2995)

SEC: 7 T.10S R. 22E

FIELD: NATURAL BUTTES (630)

COUNTY: UINTAH

CAUSE: 173-14 / 12-2-1999

Field Status
- ABANDONED
- ACTIVE
- COMBINED
- INACTIVE
- PROPOSED
- STORAGE
- TERMINATED

Unit Status
- EXPLORATORY
- GAS STORAGE
- NF PP OIL
- NF SECONDARY
- PENDING
- PI OIL
- PP GAS
- PP GEOTHERML
- PP OIL
- SECONDARY
- TERMINATED

Wells Status
- GAS INJECTION
- GAS STORAGE
- LOCATION ABANDONED
- NEW LOCATION
- PLUGGED & ABANDONED
- PRODUCING GAS
- PRODUCING OIL
- SHUT-IN GAS
- SHUT-IN OIL
- TEMP. ABANDONED
- TEST WELL
- WATER INJECTION
- WATER SUPPLY
- WATER DISPOSAL
- DRILLING

UTAH DNR
OIL, GAS & MINING

N
W E
S

PREPARED BY: DIANA MASON
DATE: 23-JULY-2008

Application for Permit to Drill
Statement of Basis

APD No	API WellNo	Status	Well Type	Surf Ownr	CBM
912	43-047-40248-00-00		GW	S	No

Operator	KERR-MCGEE OIL & GAS ONSHORE, L.P.	**Surface Owner-APD**	
Well Name	NBU 1022-07AT	**Unit**	NATURAL BUTTES
Field	NATURAL BUTTES	**Type of Work**	
Location	NENE 7 10S 22E S 255 FNL 646 FEL	GPS Coord (UTM)	630264E 4425335N

Geologic Statement of Basis

Kerr McGee proposes to set 2,200' of surface casing at this location. The depth to the base of the moderately saline water at this location is estimated to be at a depth of 4,700'. A search of Division of Water Rights records shows 1 water well within a 10,000 foot radius of the proposed location. This well is over a mile from the proposed location and owned by the BLM. The well is listed as being 1,850 feet deep and used for stock watering. The surface formation at this site is the Uinta Formation. The Uinta Formation is made up of interbedded shales and sandstones. The sandstones are mostly lenticular and discontinuous and should not be a significant source of useable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill	8/20/2008
APD Evaluator	**Date / Time**

Surface Statement of Basis

This location is in the middle Sand Wash area of the Natural Buttes Unit approximately 22.3 road miles southeast of Ouray, Ut.. The Seep Ridge Road, Uintah County roads and existing or planned oil field development roads to within 0.2 mile of the site, which will require re-construction, accesses it.

Sand Wash drains northerly to the White River a distance of approximately 7 miles. The area is characterized by rolling hills, which are frequently divided by somewhat gentle draws. Sand Wash is an ephemeral drainage. No springs, seeps or streams exist in the area. An occasional pond constructed to supply water for cattle and antelope exists. The washes are sometimes rimed with steep side hills, which have exposed sand stone bedrock cliffs along the rims.

Four gas wells are proposed on this pad. The pad has been recently re-contoured and re-claimed from a previous well. Excavation will begin near the top of a ridge on the south with the fill moved northeasterly down slope to construct the pad. No drainages intersect the location and no diversions will be required. The reserve pit will be re-dug in the area used for the previous location. The selected site has no apparent concerns for constructing a pad, drilling and operating the planned wells and is the best location in the immediate area.

Both the surface and minerals are owned by SITLA. Jim Davis of SITLA reviewed the site and had no concerns regarding the proposal.

Ben Williams of the Utah Division of Wildlife Resources was invited the pre-site visit and did not attend

Floyd Bartlett	6/18/2008
Onsite Evaluator	**Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator KERR-MCGEE OIL & GAS ONSHORE, L.P.
Well Name NBU 1022-07AT
API Number 43-047-40248-0 **APD No** 912 **Field/Unit** NATURAL BUTTES
Location: 1/4,1/4 NENE **Sec** 7 **Tw** 10S **Rng** 22E 255 FNL 646 FEL
GPS Coord (UTM) **Surface Owner**

Participants

Floyd Bartlett and David Hackford (DOGM), Jim Davis (SITLA), Raleen White, Kevin McIntyre and Tony Kzneck (Kerr McGee) and David Kay (Uintah Engineering and Land Surveying).

Regional/Local Setting & Topography

This location is in the middle Sand Wash area of the Natural Buttes Unit approximately 22.3 road miles southeast of Ouray, Ut.. The Seep Ridge Road, Uintah County roads and existing or planned oil field development roads to within 0.2 mile of the site, which will require re-construction, accesses it.

Sand Wash drains northerly to the White River a distance of approximately 7 miles. The area is characterized by rolling hills, which are frequently divided by somewhat gentle draws. Sand Wash is an ephemeral drainage. No springs, seeps or streams exist in the area. An occasional pond constructed to supply water for cattle and antelope exists. The washes are sometimes rimed with steep side hills, which have exposed sand stone bedrock cliffs along the rims.

Four gas wells are proposed on this pad. The pad has been recently re-contoured and re-claimed from a previous well. Excavation will begin near the top of a ridge on the south with the fill moved northeasterly down slope to construct the pad. No drainages intersect the location and no diversions will be required. The reserve pit will be re-dug in the area used for the previous location. The selected site has no apparent concerns for constructing a pad, drilling and operating the planned wells and is the best location in the immediate area.

Both the surface and minerals are owned by SITLA.

Surface Use Plan

Current Surface Use
Grazing
Recreational
Wildlfe Habitat
Existing Well Pad

New Road Miles	Well Pad		Src Const Material	Surface Formation
0.2	**Width** 290	**Length** 350	Onsite	UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Vegetation has not re-established on the site except for cheatgrass and halogeton.

Cattle, antelope and small mammals and birds.

Soil Type and Characteristics

Soils are a shallow rocky sandy loam..

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run?	Paleo Potental Observed?	Cultural Survey Run?	Cultural Resources?

Reserve Pit

Site-Specific Factors		Site Ranking	
Distance to Groundwater (feet)	>200	0	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)	<300	20	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)	<10	0	
Affected Populations	<10	0	
Presence Nearby Utility Conduits	Not Present	0	
	Final Score	35	**Sensitivity Level**

Characteristics / Requirements

The reserve pit is planned in an area of cut in the southwest corner of the location. Dimensions are 100' x 220' x 10' deep with 2' of freeboard. A liner with a minimum thickness of 16 mils. and a felt sub-liner are required.

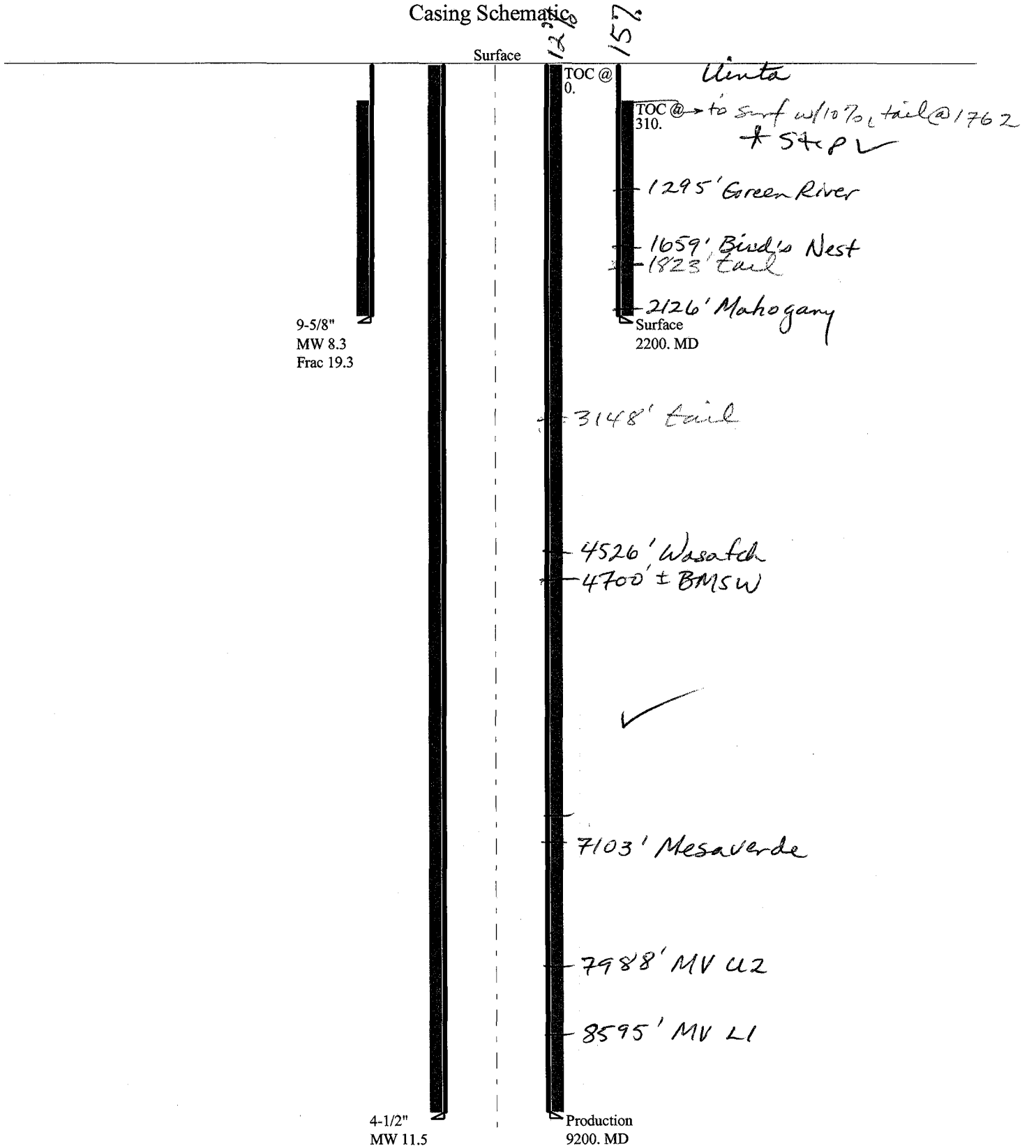
Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** Y

Other Observations / Comments

Floyd Bartlett	6/18/2008
Evaluator	**Date / Time**

43047402480000 NBU 1022-07AT

Casing Schematic



Well name:	**43047402480000 NBU 1022-07AT**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Surface
Project ID:	43-047-40248-0000
Location:	Uintah County, Utah

Design parameters:

Collapse
Mud weight: 8.330 ppg
Design is based on evacuated pipe.

Burst
Max anticipated surface pressure: 1,936 psi
Internal gradient: 0.120 psi/ft
Calculated BHP 2,200 psi

No backup mud specified.

Minimum design factors:

Collapse:
Design factor 1.125

Burst:
Design factor 1.00

Tension:
8 Round STC: 1.80 (J)
8 Round LTC: 1.80 (J)
Buttress: 1.60 (J)
Premium: 1.50 (J)
Body yield: 1.50 (B)

Tension is based on buoyed weight.
Neutral point: 1,929 ft

Environment:
H2S considered? No
Surface temperature: 75 °F
Bottom hole temperature: 106 °F
Temperature gradient: 1.40 °F/100ft
Minimum section length: 1,300 ft

Cement top: 310 ft

Completion type is subs
Non-directional string.

Re subsequent strings:
Next setting depth: 9,200 ft
Next mud weight: 11.500 ppg
Next setting BHP: 5,496 psi
Fracture mud wt: 19.250 ppg
Fracture depth: 2,200 ft
Injection pressure: 2,200 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	2200	9.625	36.00	J-55	LT&C	2200	2200	8.796	954.9

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	952	2020	2.122	2200	3520	1.60	69	453	6.52 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: September 22,2008
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 2200 ft, a mud weight of 8.33 ppg The casing is considered to be evacuated for collapse purposes.
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Well name:	**43047402480000 NBU 1022-07AT**
Operator:	**Kerr McGee Oil & Gas Onshore L.P.**
String type:	Production
Project ID:	43-047-40248-0000
Location:	Uintah County, Utah

Design parameters:

Collapse

Mud weight:	11.500 ppg
Internal fluid density:	2.300 ppg

Burst

Max anticipated surface pressure:	3,472 psi
Internal gradient:	0.220 psi/ft
Calculated BHP	5,496 psi

No backup mud specified.

Minimum design factors:

Collapse:

Design factor	1.125

Burst:

Design factor	1.00

Tension:

8 Round STC:	1.80 (J)
8 Round LTC:	1.80 (J)
Buttress:	1.60 (J)
Premium:	1.50 (J)
Body yield:	1.50 (B)

Tension is based on buoyed weight.
Neutral point: 7,618 ft

Environment:

H2S considered?	No
Surface temperature:	75 °F
Bottom hole temperature:	204 °F
Temperature gradient:	1.40 °F/100ft
Minimum section length:	1,500 ft
Cement top:	Surface

Completion type is subs
Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (lbs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft^3)
1	9200	4.5	11.60	I-80	LT&C	9200	9200	3.875	802.9

Run Seq	Collapse Load (psi)	Collapse Strength (psi)	Collapse Design Factor	Burst Load (psi)	Burst Strength (psi)	Burst Design Factor	Tension Load (Kips)	Tension Strength (Kips)	Tension Design Factor
1	4397	6360	1.446	5496	7780	1.42	88	212	2.40 J

Prepared by: Helen Sadik-Macdonald
Div of Oil,Gas & Minerals
Phone: (801) 538-5357
FAX: (801) 359-3940
Date: September 22,2008
Salt Lake City, Utah

Remarks:
Collapse is based on a vertical depth of 9200 ft, a mud weight of 11.5 ppg An internal gradient of .119 psi/ft was used for collapse from TD
Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Burst strength is not adjusted for tension.

Engineering responsibility for use of this design will be that of the purchaser.

BOPE REVIEW — Kerr-McGee NBU 1022-07AT API 43-047-40248-0000

INPUT

Well Name	Kerr-McGee NBU 1022-07AT API 43-047-40248-0000			
	String 1	String 2		
Casing Size (")	9 5/8	4 1/2		
Setting Depth (TVD)	2200	9200		
Previous Shoe Setting Depth (TVD)	40	2200		
Max Mud Weight (ppg)	8.4	11.5		
BOPE Proposed (psi)	500	5000		
Casing Internal Yield (psi)	3520	7780		
Operators Max Anticipated Pressure (psi)	5704	11.9 ppg		

Calculations	String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =	961	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	697	NO OK. Air Drill to surface shoe with diverter
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	477	YES
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	486	NO Reasonable Depth in area - no expected pressures
Required Casing/BOPE Test Pressure		2200 psi	
***Max Pressure Allowed @ Previous Casing Shoe =**		40 psi	*Assumes 1psi/ft frac gradient

Calculations	String 2	4 1/2 "	
Max BHP [psi]	.052*Setting Depth*MW =	5502	
			BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	4398	YES
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	3478	YES
			***Can Full Expected Pressure Be Held At Previous Shoe?**
Pressure At Previous Shoe	Max BHP-.22*(Setting Depth - Previous Shoe Depth) =	3962	NO Reasonable
Required Casing/BOPE Test Pressure		5000 psi	
***Max Pressure Allowed @ Previous Casing Shoe =**		2200 psi	*Assumes 1psi/ft frac gradient

United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Utah State Office
P.O. Box 45155
Salt Lake City, Utah 84145-0155

IN REPLY REFER TO:
3160
(UT-922)

July 24, 2008

Memorandum

To: Assistant District Manager Minerals, Vernal District

From: Michael Coulthard, Petroleum Engineer

Subject: 2008 Plan of Development Natural Buttes Unit Uintah County, Utah.

Pursuant to email between Diana Whitney, Division of Oil, Gas and Mining, and Mickey Coulthard, Utah State Office, Bureau of Land Management, the following wells are planned for calendar year 2008 within the Natural Buttes Unit, Uintah County, Utah.

API #	WELL NAME	LOCATION
(Proposed PZ Wasatch/MesaVerde)		
43-047-40248	NBU 1022-07AT	Sec 07 T10S R22E 0255 FNL 0646 FEL
43-047-40249	NBU 1022-07B2DS	Sec 07 T10S R22E 0226 FNL 0674 FEL
		BHL Sec 07 T10S R22E 0531 FNL 1838 FEL
43-047-40250	NBU 1022-07A4BS	Sec 07 T10S R22E 0270 FNL 0632 FEL
		BHL Sec 07 T10S R22E 0760 FNL 0575 FEL
43-047-40251	NBU 1022-07A4CS	Sec 07 T10S R22E 0241 FNL 0660 FEL
		BHL Sec 07 T10S R22E 1116 FNL 0574 FEL

This office has no objection to permitting the wells at this time.

/s/ Michael L. Coulthard

bcc: File – Natural Buttes Unit
Division of Oil Gas and Mining
Central Files
Agr. Sec. Chron

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3

AMENDED REPORT ☐
(highlight changes)

APPLICATION FOR PERMIT TO DRILL

5. MINERAL LEASE NO: ST ML 23609	6. SURFACE: State
1A. TYPE OF WORK: DRILL [X] REENTER [ ] DEEPEN [ ]	7. IF INDIAN, ALLOTTEE OR TRIBE NAME: N/A
B. TYPE OF WELL: OIL [ ] GAS [X] OTHER _____ SINGLE ZONE [ ] MULTIPLE ZONE [X]	8. UNIT or CA AGREEMENT NAME: Unit 891008900A
2. NAME OF OPERATOR: Kerr-McGee Oil & Gas Onshore, LP	9. WELL NAME and NUMBER: NBU 1022-07AT
3. ADDRESS OF OPERATOR: P.O. Box 173779 Denver (CITY) Colorado (STATE) 80217-3779 (ZIP) PHONE NUMBER: 720-929-6226	10. FIELD AND POOL, OR WILDCAT: Natural Buttes Field
4. LOCATION OF WELL (FOOTAGES) AT SURFACE: 255' FNL & 646' FEL LAT 39.970053 LON -109.474708 (NAD 27) AT PROPOSED PRODUCING ZONE: N/A	11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE Sec. 7 T 10 S - R 22 E
14. DISTANCE IN MILES AND DIRECTION FROM NEAREST TOWN OR POST OFFICE: 22.5 miles south of Ouray, Utah	12. COUNTY: Uintah / 13. STATE UTAH

15. DISTANCE TO NEAREST PROPERTY OR LEASE LINE (FEET)	16. NUMBER OF ACRES IN LEASE:	17. NUMBER OF ACRES ASSIGNED TO THIS WELL:
255'	294.22	40
18. DISTANCE TO NEAREST WELL (DRILLING, COMPLETED, OR APPLIED FOR) ON THIS LEASE (FEET)	**19. PROPOSED DEPTH:**	**20. BOND DESCRIPTION:**
500'	9200' MD	RLB0005237
21. ELEVATIONS (SHOW WHETHER DF, RT, GR, ETC.):	**22. APPROXIMATE DATE WORK WILL START:**	**23. ESTIMATED DURATION:**
5244' GR	ASAP	10 days

24. **PROPOSED CASING AND CEMENTING PROGRAM**

SIZE OF HOLE	CASING SIZE, GRADE, AND WEIGHT PER FOOT	SETTING DEPTH	CEMENT TYPE, QUANTITY, YIELD, AND SLURRY WEIGHT
12 1/4"	9 5/8" J-55 36#	2200'	Premium Cement 215 sx 1.18 15.6
			Premium Cement 100 sx 1.18 15.6
7 7/8"	4 1/2" I-80 11.6#	9200'	Premium Lite II 440 sx 3.38 11.0
			50/50 Poz G 1450 sx 1.31 14.3

25. **ATTACHMENTS**

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES:

- [X] WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER
- [X] COMPLETE DRILLING PLAN
- [X] EVIDENCE OF DIVISION OF WATER RIGHTS APPROVAL FOR USE OF WATER
- [ ] FORM 5, IF OPERATOR IS PERSON OR COMPANY OTHER THAN THE LEASE OWNER

NAME (PLEASE PRINT) Kevin McIntyre TITLE Regulatory Analyst I

SIGNATURE _____ DATE July 14, 2008

(This space for State use only)

Approved by the
Utah Division of
Oil, Gas and Mining

API NUMBER ASSIGNED: 43-047-40248

APPROVAL:

Date: 11-18-08

By: _____

RECEIVED
JUL 25 2008
DIV. OF OIL, GAS & MINING

(11/2001)

UT Form 3 APD Updated UDOGM 2-2008 xls.xls Utah APD Form 3

From: Jim Davis
To: DIANAWHITNEY@utah.gov,EDBONNER@utah.gov,LAVONNEGARRISON@utah.gov
Date: 11/11/2008 10:21 AM
Subject: Well aprovals 11/11/08

The following wells have been approved by SITLA including paleo and arch clearance.

4304740248 NBU 1022-07AT Kerr-McGee Oil & Gas Natural Buttes NENE 07 100S 220E S UINTAH
4304740249 NBU 1022-07B2DS Kerr-McGee Oil & Gas Natural Buttes NENE 07 100S 220E S UINTAH
4304740250 NBU 1022-07A4BS Kerr-McGee Oil & Gas Natural Buttes NENE 07 100S 220E S UINTAH
4304740251 NBU 1022-07A4CS Kerr-McGee Oil & Gas Natural Buttes NENE 07 100S 220E S UINTAH

4304739954 NBU 1022-02F Kerr McGee Natural Buttes SENW 02 100S 220E S UINTAH
4304739955 NBU 1022-02D Kerr McGee Natural Buttes NWNW 02 100S 220E S UINTAH
4304739959 NBU 1022-13H Kerr McGee Natural Buttes SENE 13 100S 220E S UINTAH

-Jim

Jim Davis
Utah Trust Lands Administration
jimdavis1@utah.gov
Phone: (801) 538-5156

JON M. HUNTSMAN, JR.
Governor

GARY R. HERBERT
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

November 18, 2008

Kerr-McGee Oil & Gas Onshore, LP
P O Box 173779
Denver, CO 80217-3779

Re: NBU 1022-07AT Well, 255' FNL, 646' FEL, NE NE, Sec. 7, T. 10 South, R. 22 East, Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40248.

Sincerely,

Gil Hunt
Associate Director

pab
Enclosures

cc: Uintah County Assessor
Bureau of Land Management, Vernal Field Office
SITLA

1594 West North Temple, Suite 1210, PO Box 145801, Salt Lake City, UT 84114-5801
telephone (801) 538-5340 • facsimile (801) 359-3940 • TTY (801) 538-7458 • *www.ogm.utah.gov*

UTAH DNR OIL, GAS & MINING

Operator: Kerr-McGee Oil & Gas Onshore, LP

Well Name & Number NBU 1022-07AT

API Number: 43-047-40248

Lease: ST ML 23609

Location: NE NE **Sec.** 7 **T.** 10 South **R.** 22 East

Conditions of Approval

1. **General**

   Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. **Notification Requirements**

   The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

   - 24 hours prior to cementing or testing casing – contact Dan Jarvis
   - 24 hours prior to testing blowout prevention equipment – contact Dan Jarvis
   - 24 hours prior to spudding the well – contact Carol Daniels
   - Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
   - Prior to commencing operations to plug and abandon the well – contact Dan Jarvis

   The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

   - Plugging and abandonment or significant plug back of this well – contact Dustin Doucet
   - Any changes to the approved drilling plan – contact Dustin Doucet

   The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

   - Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
   - Carol Daniels at: (801) 538-5284 office
   - Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. **Reporting Requirements**

   All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.

5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)

6. In accordance with Order in Cause No. 190-5(b) dated October 28, 1982, the Operator shall comply with requirements of Rules R649-3-31 and R649-3-27 pertaining to Designated Oil Shale Areas. Additionally, the operator shall ensure that the surface and/or production casing is properly cemented over the entire oil shale interval as defined by Rule R649-3-31. The Operator shall report the actual depth the oil shale is encountered to the Division.

7. Surface casing shall be cemented to the surface.

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company: **KERR-McGEE OIL & GAS ONSHORE, L.P.**

Well Name: **NBU 1022-07AT**

Api No: **43-047-40248** Lease Type: **STATE**

Section **07** Township **10S** Range **22E** County **UINTAH**

Drilling Contractor **PETE MARTIN DRLG** RIG # **BUCKET**

SPUDDED:

Date **01/22/2009**

Time **10:00 AM**

How **DRY**

Drilling will Commence:

Reported by **JAMES GOBLE**

Telephone # **(435) 828-7024**

Date **01/26/2009** **Signed** **CHD**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: KERR McGEE OIL & GAS ONSHORE LP
Operator Account Number: N 2995
Address: 1368 SOUTH 1200 EAST
city VERNAL
state UT zip 84078
Phone Number: (435) 781-7024

Well 1

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740249	NBU 1022-07B2DS		NENE	7	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	2900	1/22/2009			1/29/09	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD BHL=NWNE
SPUD WELL LOCATION ON 01/22/2009 AT 1400 HRS

Well 2

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740251	NBU 1022-07A4CS		NENE	7	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	2900	1/22/2009			1/29/09	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 01/22/2009 AT 1200 HRS. BHL= NENE

Well 3

API Number	Well Name		QQ	Sec	Twp	Rng	County
4304740248	NBU 1022-07AT		NENE	7	10S	22E	UINTAH
Action Code	Current Entity Number	New Entity Number	Spud Date			Entity Assignment Effective Date	
B	99999	2900	1/22/2009			1/29/09	

Comments: MIRU PETE MARTIN BUCKET RIG. WSMVD
SPUD WELL LOCATION ON 01/22/2009 AT 1000 HRS.

ACTION CODES:
- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

SHEILA UPCHEGO
Name (Please Print)
Signature
REGULATORY ANALYST
Title
1/23/2009
Date

RECEIVED
JAN 26 2009
DIV. OF OIL, GAS & MINING

(5/2000)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ST ML-23609

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER

8. WELL NAME and NUMBER: NBU 1022-07AT

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304740248

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 255'FNL, 646'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 7 10S 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

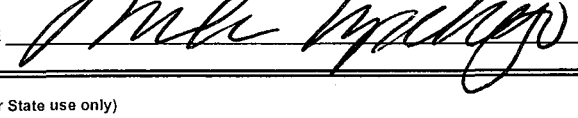
TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start:	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: WELL SPUD
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PETE MARTIN BUCKET RIG. DRILLED 20" CONDUCTOR HOLE TO 40'. RAN 9 5/8" 36# J-55 SURFACE CSG. LEAD CMT W/28 SX READY MIX.

SPUD WELL LOCATION ON 01/22/2009 AT 1000 HRS

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE  DATE 1/23/2009

(This space for State use only)

RECEIVED
JAN 26 2009
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

5. LEASE DESIGNATION AND SERIAL NUMBER: ST ML-23609

SUNDRY NOTICES AND REPORTS ON WELLS

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

7. UNIT or CA AGREEMENT NAME: UNIT #891008900A

1. TYPE OF WELL: OIL WELL ☐ GAS WELL ☑ OTHER _____

8. WELL NAME and NUMBER: NBU 1022-07AT

2. NAME OF OPERATOR: KERR McGEE OIL & GAS ONSHORE LP

9. API NUMBER: 4304740248

3. ADDRESS OF OPERATOR: 1368 SOUTH 1200 EAST CITY VERNAL STATE UT ZIP 84078

PHONE NUMBER: (435) 781-7024

10. FIELD AND POOL, OR WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL

FOOTAGES AT SURFACE: 255'FNL, 646'FEL

COUNTY: UINTAH

QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NENE 7 10S 22E

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT (Submit in Duplicate)	☐ ACIDIZE	☐ DEEPEN	☐ REPERFORATE CURRENT FORMATION
Approximate date work will start: _____	☐ ALTER CASING	☐ FRACTURE TREAT	☐ SIDETRACK TO REPAIR WELL
	☐ CASING REPAIR	☐ NEW CONSTRUCTION	☐ TEMPORARILY ABANDON
	☐ CHANGE TO PREVIOUS PLANS	☐ OPERATOR CHANGE	☐ TUBING REPAIR
	☐ CHANGE TUBING	☐ PLUG AND ABANDON	☐ VENT OR FLARE
☑ SUBSEQUENT REPORT (Submit Original Form Only)	☐ CHANGE WELL NAME	☐ PLUG BACK	☐ WATER DISPOSAL
Date of work completion:	☐ CHANGE WELL STATUS	☐ PRODUCTION (START/RESUME)	☐ WATER SHUT-OFF
_____	☐ COMMINGLE PRODUCING FORMATIONS	☐ RECLAMATION OF WELL SITE	☑ OTHER: SET SURFACE CSG
	☐ CONVERT WELL TYPE	☐ RECOMPLETE - DIFFERENT FORMATION	_____

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

MIRU PROPETRO AIR RIG ON 02/06/2009. DRILLED 12 1/4" SURFACE HOLE TO 2240'. RAN 9 5/8" 36# J-55 SURFACE CSG. CMT W/350 SX PREM CLASS G @15.8 PPG 1.15 YIELD. NO RETURNS TO PIT 50 PSI LIFT LAND PLUG FLOATS HELD. TOP OUT W/100 SX PREM CLASS G @15.8 PPG 1.15 YIELD. 2ND TOP OUT W/200 SX PREM CLASS G @15.8 PPG 1.15 YIELD. 3RD TOP OUT W/125 SX PREM CLASS G @15.8 PPG 1.15 YIELD. DOWN BACKSIDE GOOD CMT TO SURFACE HOLE STAYED FULL.

WORT.

NAME (PLEASE PRINT) SHEILA UPCHEGO TITLE REGULATORY ANALYST

SIGNATURE _____ DATE 2/11/2009

(This space for State use only)

RECEIVED
FEB 12 2009
DIV. OF OIL, GAS & MINING

(5/2000) (See Instructions on Reverse Side)

API Well No: 43047402480000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ST ML 23609

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-07AT

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047402480000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6587 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0255 FNL 0646 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 07 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 5/17/2009	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2240' TO 9260' ON 05/16/2009. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/360 SX PREM LITE II @10.7 PPG 3.48 YIELD. TAILED CMT W/1350 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DROP PLUG AND DISPLACE W/142.7 BBLS FRESH WATER @2250 PSI BUMP PLUG @2886 PSI FLOATS HELD W/1.5 BBL RETURNS GOOD RETURNS THROUGH OUT JOB & DISPLACEMENT 12.7 BBL FRESH WATER SPACER BACK TO SURFACE NO CMT BACK TO SURFAC.E L/OUT LANDING JT SET & LOCK IN PACKOFF @5000 PSI 15 MIN. N/DN BOP EQUIPMENT CLEAN SHALE TANK. RELEASE ENSIGN RIG 139 ON 05/17/2009 AT 1500 HRS.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
May 19, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sheila Upchego	435 781-7024	Regulatory Analyst
SIGNATURE N/A		**DATE** 5/19/2009

RECEIVED May 19, 2009

API Well No: 43047402480000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ST ML 23609

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-07AT

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047402480000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6007 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0255 FNL 0646 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 07 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 8/19/2009	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	✓ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

THE SUBJECT WELL WAS PLACED ON PRODUCTION ON 08/18/2009 AT 2:00 P.M. PLEASE REFER TO THE ATTACHED CHRONOLOGICAL WELL HISTORY.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
August 19, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Andy Lytle	720 929-6100	Regulatory Analyst
SIGNATURE N/A		**DATE** 8/18/2009

RECEIVED August 18, 2009

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7AT (BLUE)	Spud Conductor: 1/22/2009	Spud Date: 2/6/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 2/6/2009	End Date: 5/17/2009
Active Datum: RKB @5,257.01ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/255.00/E/0/646.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
2/6/2009	8:30 - 12:00	3.50	DRLSUR	02		P		MOVE IN AND RIG UP AIR RIG SPUD WELL @ 0830 HR 2/6/09 DA 360'
	12:00 - 0:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD NO WATER 1020'
2/7/2009	0:00 - 12:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD NO WATER 1430' DA
	12:00 - 0:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD HIT TRONA WATER @ 1650' CIRCULATING WITH PROPETRO CEMENT NO RETURNS 1840'
2/8/2009	0:00 - 12:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD CIRCULAING W/ PROPETRO CEMENT DA 2040'
	12:00 - 0:00	12.00	DRLSUR	02		P		RIG DRILLING AHEAD CIRCULATING WITH PROPETRO CEMENT NO RETURNS 2150'
2/9/2009	0:00 - 12:00	12.00	DRLSUR	02		P		RIG T/D @ 2240' CONDITION HOLE 1 HR RUN SURVEY .25 DEG.
	12:00 - 15:00	3.00	DRLSUR	06		P		TRIP DP OUT OF HOLE
	15:00 - 18:00	3.00	DRLSUR	12		P		RUN 2202' OF 9 5/8 CSG AND RIG DOWN AIR RIG
	18:00 - 19:00	1.00	DRLSUR	12		P		CEMENT 1ST STAGE WITH 350 SKS TAIL @ 15.8# 1.15 5.0 GAL/SK NO RETURNS TO PIT 50 PSI LIFT LAND PLUG FLOATS HELD
	19:00 - 19:30	0.50	DRLSUR	12		P		1ST TOP JOB 100 SKS DOWN BS WOC
	19:30 - 21:30	2.00	DRLSUR	12		P		2ND TOP JOB 200 SKS DOWN BS WOC
	21:30 - 23:30	2.00	DRLSUR	12		P		3RD TOP JOB 125 SKS DOWN BS GOOD CMT TO SURFACE AND STAYED AT SURFACE
	23:30 - 23:30	0.00	DRLSUR					NO VISIBLE LEAKS PIT 50% FULL WORT
5/9/2009	6:00 - 13:00	7.00	DRLPRO	01	C	P		R/D - SKID RIG - R/U
	13:00 - 15:00	2.00	DRLPRO	08	A	P		WORK ON POWER SHUTE ON IRON DERRICK HAND - C/0 PINS & ADJUSTED WHERE IT WOULD OPEN SO FAR. & TOPDRIVE OPEN ALL INSPECTION PLATES CHECK ALL LOOKS GOOD RUN DRIVE AT SEVERAL SPEEDS LESS NOISE AT 60 RPM THEN 40 RPM.
	15:00 - 17:00	2.00	DRLPRO	08		P		INSTALL NEW BLOCK DOLLY
	17:00 - 19:00	2.00	DRLPRO	14	A	P		NIPPLE UP B.O.P'S & FLARE LINES
	19:00 - 0:00	5.00	DRLPRO	15	A	P		TEST B.O.P'S & TEST BLIND & PIPE RAMS -2"-4" VALUES - HCR & TOPDRIVE - CHOKE MAINFOLD 250 LOW 5000 HIGH - HYDRIL 250 LOW 2500 HIGH & CASING 1500.
5/10/2009	0:00 - 1:00	1.00	DRLPRO	15	A	P		CONT. & FINSH TESTING
	1:00 - 2:00	1.00	DRLPRO	14	B	P		SET WEAR BUSHING & HOOK UP LINE
	2:00 - 4:30	2.50	DRLPRO	09	A	P		SLIP DRILL LINE & C/O SAVER SUB & RECAL. CROWN MATIC
	4:30 - 6:30	2.00	DRLPRO	06	A	P		P/U BIT MOTOR - DIR TOOLS & SCRIBED TOOLS
	6:30 - 7:00	0.50	DRLPRO	07	B	P		LEVEL DERRICK
	7:00 - 10:30	3.50	DRLPRO	06	A	P		RUN THREE 3 STAND HWDP OUT OF DERRICK & P/U 21 JTS OFF RACK THAT HAD BEEN HARDBANNED - T.I.H TO 2118 TAG CEMENT
	10:30 - 11:30	1.00	DRLPRO	02	F	P		DRILL CEMENT & F.E
	11:30 - 0:00	12.50	DRLPRO	02	B	P		DRILL F/ 2253 T0 3400 - 1147- @ 91.76 FPH - 8.4 PPG MUD WT - RPM 45 - MRPM 76 - GPM 546 - TORQ 5/3 - WOB 12/15
5/11/2009	0:00 - 12:00	12.00	DRLPRO	02	B	P		DRILL F/ 3400 TO 4665 - 1265' @ 105.4 FPH W/ 8.5 MUD WT - RPM 45 MRPM 76 - GPM 546 - TORQ 4/7 - WOB 12/15 -
	12:00 - 12:30	0.50	DRLPRO	07	A	P		SER RIG

Operations Summary Report

Well: NBU 1022-7AT (BLUE)	Spud Conductor: 1/22/2009	Spud Date: 2/6/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 2/6/2009	End Date: 5/17/2009
Active Datum: RKB @5,257.01ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/255.00/E/0/646.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	12:30 - 0:00	11.50	DRLPRO	02	B	P		DRILL F/ 4665 TO 5693 - 1028 @ 89.3 FPH W/ 8.5 MUD WT RPM 45 - MRPM 76 - GPM 546 - TORQ 4/7 - WOB 12/15.
5/12/2009	0:00 - 13:30	13.50	DRLPRO	02	B	P		DRILL F/ 5693 TO 6474 - 781' @ 57.8 FPH W/ 8.6 MUD WT- RPM 45 - MRPM 76 - TORQ 5/8 WOB 14/17
	13:30 - 14:00	0.50	DRLPRO	07	A	P		SER RIG
	14:00 - 0:00	10.00	DRLPRO	02	B	P		DRILL F/ 6474 TO 6825 - 351' @ 35.1 FPH W/ 9.2 MUD WT - RPM 45 - MRPM 76 - TORQ 5/8 - WOB 14/18
5/13/2009	0:00 - 10:30	10.50	DRLPRO	02	B	P		DRILL F/6825' TO 7289' (464' @ 44.6fph) MW 10.3, VIS 40, WOB 18, RPM 45, MM 76, TQ 5/7, GPM 544 - (START MUD UP @ 7200')
	10:30 - 11:00	0.50	DRLPRO	07	A	P		RIG SER
	11:00 - 0:00	13.00	DRLPRO	02	B	P		DRILL F/7289' TO 7791' (502' @ 38.6fph) MW 10.6, VIS 43, RPM 45, MM 76, TQ 6/7, GPM 544
5/14/2009	0:00 - 11:00	11.00	DRLPRO	02	B	P		DRILL F/7791' TO 8284' (493' @ 44.8fph) MW 10.7, VIS 42, WOB 16/18, RPM 45, MM 76, TQ 6/8, GPM 544, SPP 2850/2725 - SLIDE 7832-7844, WOB 9, MM RPM 76, DIFF PSI 135
	11:00 - 11:30	0.50	DRLPRO	07	A	P		RIG SER
	11:30 - 0:00	12.50	DRLPRO	02	B	P		DRILL F/8284' TO 8718' (434'@ 34.7fph) MW 10.8, VIS 42, WOB 16/18, RPM 45, MM RPM 76, TQ 6/8, GPM 544, SPP 2850/2700 - SLIDE 8375'-8381' WOB 9, MM RPM 76, DIFF 180 (RAISE MW TO 10.9 @ 8700', BG 250/890, CONN 1520/3410 - NO FLARE - MUD CUT F/10.7 TO 10.4)
5/15/2009	0:00 - 3:30	3.50	DRLPRO	02	B	P		DRILL F/8718' TO 8807' (89' @ 25.4fph) MW 10.9, VIS 43, WOB 18, RPM 45, MM RPM 76, TQ 7/9, GPM 544, SPP 2875/2750
	3:30 - 4:00	0.50	DRLPRO	06	H	P		BIT QUIT DRILLING @ 8700' - OBSERVED PSI LOSS AS WOB INCREASED - PERFORMED FUNCTION TEST OF MM - POSSIBLE MM FAILURE
	4:00 - 11:30	7.50	DRLPRO	06	H	P		BUILD & PUMP SLUG, POOH F/MM FAILURE - RACK BACK DIRECTIONAL TOOLS - BRK & L/DN BIT & MM (CHECKED MM ON SURFACE DETERMINED MM STATOR WEAK OR SHAFT BROKE - DISSASEMBLY REQUIRED FOR EXACT DETERMINATION)
	11:30 - 14:30	3.00	DRLPRO	06	A	P		P/UP BIT #2 & SDI 6.5" MM 1.25 deg, .14 RPG - RIH TO 2127' - FILL DRILL STRING (DIRECTIONAL TOOLS NOT IN HOLE)
	14:30 - 17:30	3.00	DRLPRO	09	A	P		SLIP & CUT D/LINE
	17:30 - 21:30	4.00	DRLPRO	06	A	P		RIH DP TO 8717' (NO PROBLEMS ON TRIP IN HOLE)
	21:30 - 22:00	0.50	DRLPRO	03	E	P		WASH F/8717' TO 8807' - NO FILL
	22:00 - 0:00	2.00	DRLPRO	02	B	P		DRILL F/8807' TO 8900' (93' @ 46.5fph)
5/16/2009	0:00 - 6:00	6.00	DRLPRO	02	B	P		DRILL F/8900' TO 9260' (360' @ 60fph) MW 10.9, VIS 43, WOB 18, RPM 45, MM RPM 76, TQ 6/8, GPM 544,
	6:00 - 8:00	2.00	DRLPRO	05	A	P		CIRC BTTMS UP PRIOR TO POOH F/LOGS
	8:00 - 15:30	7.50	DRLPRO	06	A	P		POOH F/OPEN HOLE LOGS
	15:30 - 16:00	0.50	DRLPRO	14	B	P		RETRIEVE WEARBUSHING
	16:00 - 21:30	5.50	DRLPRO	11	D	P		HPJSM, R/UP HALLIBURTON WIRELINE TOOLS & EQUIPMENT, RUN TRIPLE COMBO TO LOGGERS TD @ 9181'
	21:30 - 22:00	0.50	DRLPRO	12	A	P		R/UP KIMZEY CASING TOOLS

Well: NBU 1022-7AT (BLUE)	Spud Conductor: 1/22/2009	Spud Date: 2/6/2009	
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD		Rig Name No: ENSIGN 139/139, PROPETRO/
Event: DRILLING	Start Date: 2/6/2009		End Date: 5/17/2009
Active Datum: RKB @5,257.01ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/255.00/E/0/646.00/0/0		

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
	22:00 - 0:00	2.00	DRLPRO	12	C	P		RUN 219 JTS & 1 MARKER JT 4.5" 11.60 I-80 PROD CASING - 21 CENTRALIZERS - AUTO FILL FLOAT & SHOE SET CASING @ 9251.40'
5/17/2009	0:00 - 4:00	4.00	CSG	12	C	P		RAN 219 JTS & 1 MARKER JT 4.5" 11.60 I-80 PROD CASING - 21 CENTRALIZERS - AUTO FILL FLOAT & SHOE TO 9187'
	4:00 - 5:00	1.00	CSG	03	E	P		WASH F/9187' TO 9229'
	5:00 - 6:00	1.00	CSG	12	C	P		P/UP M/UP HANGER ASSY AND LAND CASING @ 9251'
	6:00 - 7:30	1.50	CSG	05	A	P		CIRC OUT GAS - 2121 UNITS, 25' FLARE, MW 10.9 CUT 10.5
	7:30 - 10:30	3.00	CSG	12	E	P		HPJSM - R/UP HALLIBURTON CEMENT HEAD & LINE - TEST LINES TO 5592 PSI, CEMENT 4.5" I-80 11.60 PROD CASING @ 5291' W/20 BBLS WATER SPACER, LEAD 360 SKS 10.7 PPG 3.48 YIELD, TAIL 1350 SKS 14.3 PPG 1.25 YIELD, DROPPED PLUG & DISPLACED W/142.7 BBLS FRESH WATER @ 2250 PSI, BUMPED PLUG @ 2886 PSI, FLOATS HELD W/1.5 BBL RETURNS - GOOD RETURNS THROUGH OUT CEMENT JOB & DISPLACEMENT - 12.7 BBLS FRESH WATER SPACER BACK TO SURFACE - NO CEMENT BACK TO SURFACE
	10:30 - 12:30	2.00	CSG	12	C	P		L/OUT LANDING JT - SET & LOCK IN PACKOFF - TEST PACKOFF @ 5000 PSI 15 MIN
	12:30 - 15:00	2.50	CSG	14	A	P		N/DN BOP EQUIPMENT - TRANSFER 700 BBLS MUD TO PREMIX & UPRIGHT TANK - CLEAN SHALE TANK - RELEASE RIG @ 15:00 HRS 5/17/09, RESERVE PIT 1/2 FULL, VISUAL INSPECT PIT LINER NO LEAKS OK

Operation Summary Report

Well: NBU 1022-7AT (BLUE)	Spud Conductor: 1/22/2009	Spud Date: 2/6/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: MILES-GRAY 1/1
Event: COMPLETION	Start Date: 8/7/2009	End Date:
Active Datum: RKB @5,257.01ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/255.00/E/0/646.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/7/2009	7:00 - 9:30	2.50	COMP	33	C	P		HOOK UP B&C QUICK TEST. BTM STEM PKG LEAKING AT 7000 PSI THEN QUIT LEAKING. TOP VALVE TEST GOOD. TEST TO 7200 PSI. REPLACE STEM PKG. RETEST VALVE AND CSG TO 7200 PSI. GOOD.
	9:30 - 11:30	2.00	COMP	37	B			MIRU SCHLUMBERGER EWL. RIH W/ 3-3/8" EXP GUN (23 GRAM, .36' HOLE, 3 SPF ON 120* AND 4 SPF ON 90* PHASING) PERF STG #1- 9070-74' (4 SPF), 8990-93' (3 SPF), 8935-38' (3 SPF), 8889-92' (3 SPF). SHUT WELL IN.
8/10/2009	7:00 - 7:30	0.50	COMP	48		P		HSM. FRAC & WL SAFTY.
	7:30 - 19:30	12.00	COMP	36	B	P		OPEN WELL 1672 PSI. STG 1) BEG PUMP, BRK @ 3769 PSI @ 6.3 BPM. SD ISIP 2450 PSI, FG.70. BEG FRAC, PUMP 46,296# 30/50 & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 2650#, FG .73. SWI, X-OVER T/ BLACK WELL. STG 2)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 8840' P/U PERF F/ 8807'-10', 4 SPF, 12 HOLES. 8774'-76', 4 SPF, 8 HOLES. 8745'-47', 3 SPF, 6 HOLES. 8672'-74'. 3 SPF, 6 HOLES. 8634'-37', 3 SPF, 9 HOLES. POOH. READY T/ FRAC. AFTER PULLING GUN & SETTING TOOL INTO LUBE, WL TRUCK MOTOR DIED @ 10:45 AM. ATTM T/ MAKE REPAIR ON LOC. NEVER GOT TRUCK RUNNING AGAIN. CALL FOR NEW TRUCK. (NEW TRUCK PULLED ON LOC @ 4:30 PM.) 12:33 OPEN WELL 1380 PSI. BEG PUMP, BRK @ 3586 PSI @ 6.4 BPM. SD ISIP 2400 PSI, FG .71. BEG FRAC, PUMP 92,478# 30/50 WHITE & 5,000# 20/40 TLC. SD ISIP 3200#, FG .80. 1:30 SWIFN.

Operations Summary Report

Well: NBU 1022-7AT (BLUE)	Spud Conductor: 1/22/2009	Spud Date: 2/6/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: MILES-GRAY 1/1
Event: COMPLETION	Start Date: 8/7/2009	End Date:
Active Datum: RKB @5,257.01ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/255.00/E/0/646.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/11/2009	7:00 - 18:00	11.00	COMP	36	B	P		STG 3)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 8612' P/U PERF F/ 8579'-82', 4 SPF, 12 HOLES. 8547'-50', 3 SPF, 9 HOLES. 8467'-70', 3 SPF, 9 HOLES. 8400'-04', 3 SPF, 12 HOLES. POOH. READY T/ FRAC. 7:56 OPEN WELL 950#. BEG PUMP, BRK @ 2138# @ 6.3 BPM. SD ISIP 2150#, FG .68. BEG FRAC, PUMP 30,498# 30/50 WHITE & 5,000# 20/40 TLC. SD ISIP 2600#, FG .74. 8:20 SWI. X-OVER T/ YELLOW WELL. STG 4)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 120 DEG PHASING. RIH SET CBP @ 8390' P/U PERF F/ 8353'-60', 3 SPF, 21 HOLES. 8228'-35', 3 SPF, 21 HOLES. POOH. READY T/ FRAC. 11:49 AM OPEN WELL 1960#. BEG PUMP, BRK @ 2938# @ 6.3 BPM. SD ISIP 2100#, FG .68. BEG FRAC, PUMP 22,744# 30/50 WHITE & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 2650#, FG .75. 12:05 PM SWI, X-OVER T/ BLACK. STG 5)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM SHOT, .36 HOLE SIZE.90 & 120 DEG PHASING. RIH SET CBP @ 8134' P/U PERF F/ 8100'-04', 4 SPF, 16 HOLES. 8069'-72', 3 SPF, 9 HOLES. 8045'-48', 3 SPF, 9 HOLES. 8024'-27', 3 SPF, 9 HOLES. POOH. READY T/ FRAC. 4:45 PM OPEN WELL 1041#. BEG PUMP, BRK @ 3467# @ 6.4 BPM. SD ISIP 1951#, FG .67. BEG FRAC, PUMP 39,257# 30/50 WHITE & 5,000# 20/40 TLC. SD ISIP 2450#, FG .73. 5:19 PM SWI, X-OVER T/ BLACK WELL. STG 6)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM SHOT, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 7885' P/U PERF F/ 7853'-55', 4 SPF, 8 HOLES. 7826'-29', 3 SPF, 9 HOLES. 7798'-00', 3 SPF, 6 HOLES. 7708'-11', 4 SPF, 12 HOLES. 7672'-74', 3 SPF, 6 HOLES. POOH. SWIFN.

US ROCKIES REGION
Operation Summary Report

Well: NBU 1022-7AT (BLUE)	Spud Conductor: 1/22/2009	Spud Date: 2/6/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: MILES-GRAY 1/1
Event: COMPLETION	Start Date: 8/7/2009	End Date:
Active Datum: RKB @5,257.01ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/255.00/E/0/646.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/12/2009	7:00 - 18:00	11.00	COMP	36	B	P		STG 6)8:49 AM OPEN WELL 1220#. BEG PUMP, BRK @ 3198# @ 6.4 BPM. SD ISIP 1700#, FG .65. BEG FRAC, PUMP 48,870# 30/50 WHITE & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 2400#, FG .74. 9:19 AM SWI, X-OVER T/ BLACK STG 7)PU 4 1/2 8K HAL CBP & 3 3/8 EXP GUN, 23 GM, .36 HOLE SIZE. 90 & 120 DEG PHASING. RIH SET CBP @ 7598', P/U PERF F/ 7564'-68', 4 SPF, 16 HOLES. 7596'-00', 3 SPF, 12 HOLES. 7448'-52', 3 SPF, 12 HOLES. POOH. READY T/ FRAC. 1:PM OPEN WELL 940#. BEG PUMP, BRK @ 2804# @ 6.4 BPM. SD ISIP 1900#, FG .68. BEG FRAC, PUMP 17,381# 30/50 WHITE & TAIL IN W/ 5,000# 20/40 TLC. SD ISIP 2400#, FG .75. 1:17 PM SWI. X-OVER T/ BLACK WELL. 1:20 PM PU 4 1/2 8K HAL CBP. RIH SET KILL PLUG @ 7398'. POOH. SWI.
8/17/2009	7:00 - 7:30	0.50	COMP	48		P		JSA RU RD SAFETY
	7:30 - 19:00	11.50	COMP	30		P		RD FROM NBU 1022-7A4BS RU ON NBU 1022-7AT ND FRAC VALVES NU BOPS RU FLOOR & TUB EQUIP SPOT IN TUB FLOAT PU HURR MILL POBS & 1.87 XN NIPPLE PU PIPE OFF FLOAT TAG SAND @ 7380' PLUG #1 TAG SAND @ 7380' {8' FILL} C/O & DRILL THRU HALLI 8K CBP @ 7388' IN 12 MIN W/ 50# INCREASE PLUG #2 CONTINUE TO RIH TAG SAND @ 7567' {31' FILL} C/O & DRILL THRU HALLI 8K CBP @ 7598' IN 9 MIN W/ 100# INCREASE PLUG #3 CONTINUE TO RIH TAG SAND @ 7855' { 30' FILL} C/O & DRILL THRU HALLI 8K CBP@ 7885' IN 3 MIN W/ 150# INCREASE PLUG #4 CONTINUE TO RIH TAG SAND @ 8109' {30' FILL} C/O & DRILL THRU HALLI 8K CBP @ 8134' IN 5 MIN W/ 150# INCREASE PLUG #5 CONTINUE TO RIH TAG SAND @ 8358' {32' FILL} C/O & DRILL THRU HALLI 8K CBP @ 8358' IN 2 MIN W/ 200# INCREASE PLUG #6 CONTINUE TO RIH TAG SAND @ 8597' {15' FILL} C/O & DRILL THRU HALLI 8K CBP@ 8612' IN 4 MIN W/ 150# INCREASE PLUG # 7 CONTINUE TO RIH TAG SAND @ 8808' { 32' FILL} C/O & DRILL THRU HALLI 8K CBP @ 8840' IN 5 MIN W/ 100# INCREASE CONTINUE TO RIH TAG SAND @ 9020 {187' FILL} C/O TO PBTD @ 9207' LD 20 JNTS LAND WELL ON HANGER W/ 272 JNT OF 2-3/8" L-80 TUB EOT @ 8617.08' ND BOPS DROP BALL NU WELLHEAD PUMP OFF BIT SUB @ 1200 # CIRC TOTAL OF 365' SAND 5.7 AVERAGE DRILL TIME ON CBPS TURN WELL OVER TO FBC W/ ON TUB & ON CAS RECOVERD 4000 BBLS 4359 LEFT

Well: NBU 1022-7AT (BLUE)	Spud Conductor: 1/22/2009	Spud Date: 2/6/2009
Project: UTAH-UINTAH	Site: NBU 1022-7A PAD	Rig Name No: MILES-GRAY 1/1
Event: COMPLETION	Start Date: 8/7/2009	End Date:
Active Datum: RKB @5,257.01ft (above Mean Sea Level)	UWI: 0/10/S/22/E/7/0/NENE/6/PM/N/255.00/E/0/646.00/0/0	

Date	Time Start-End	Duration (hr)	Phase	Code	Sub Code	P/U	MD From (ft)	Operation
8/18/2009	7:00 -			33	A	P		7 AM FLBK REPORT: CP 2400#, TP 1975#, 20/64" CK, 45 BWPH, MEDIUM SAND, - GAS TTL BBLS RECOVERED: 4725 BBLS LEFT TO RECOVER: 3634
	14:00 -			50				WELL TURNED TO SALES @ 1400 HR ON 8/18/2009 - 1300 MCFD, 840 BWPD, FTP 1850#, CP 2500#, CK 20/64"

API Well No: 43047402480000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: ST ML 23609

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME: NATURAL BUTTES

1. TYPE OF WELL Gas Well

8. WELL NAME and NUMBER: NBU 1022-07AT

2. NAME OF OPERATOR: KERR-MCGEE OIL & GAS ONSHORE, L.P.

9. API NUMBER: 43047402480000

3. ADDRESS OF OPERATOR: P.O. Box 173779 1099 18th Street, Suite 600, Denver, CO, 80217 3779

PHONE NUMBER: 720 929-6587 Ext

9. FIELD and POOL or WILDCAT: NATURAL BUTTES

4. LOCATION OF WELL
FOOTAGES AT SURFACE: 0255 FNL 0646 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: Qtr/Qtr: NENE Section: 07 Township: 10.0S Range: 22.0E Meridian: S

COUNTY: UINTAH

STATE: UTAH

11. CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 5/17/2009	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

FINISHED DRILLING FROM 2240' TO 9260' ON 05/16/2009. RAN 4 1/2" 11.6# I-80 PRODUCTION CSG. LEAD CMT W/360 SX PREM LITE II @10.7 PPG 3.48 YIELD. TAILED CMT W/1350 SX 50/50 POZ @14.3 PPG 1.31 YIELD. DROP PLUG AND DISPLACE W/142.7 BBLS FRESH WATER @2250 PSI BUMP PLUG @2886 PSI FLOATS HELD W/1.5 BBL RETURNS GOOD RETURNS THROUGH OUT JOB & DISPLACEMENT 12.7 BBL FRESH WATER SPACER BACK TO SURFACE NO CMT BACK TO SURFAC.E L/OUT LANDING JT SET & LOCK IN PACKOFF @5000 PSI 15 MIN. N/DN BOP EQUIPMENT CLEAN SHALE TANK. RELEASE ENSIGN RIG 139 ON 05/17/2009 AT 1500 HRS.

Accepted by the Utah Division of Oil, Gas and Mining
FOR RECORD ONLY
May 19, 2009

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Sheila Upchego	435 781-7024	Regulatory Analyst
SIGNATURE N/A		**DATE** 5/19/2009

RECEIVED May 19, 2009